

UNITED STATES OF AMERICA
BEFORE THE
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D.C.

Written Agreement by and between

GRANT PARK BANCSHARES, INC.
Grant Park, Illinois

and

FEDERAL RESERVE BANK OF
CHICAGO
Chicago, Illinois

Docket No. 12-036-WA/RB-HC

WHEREAS, Grant Park Bancshares, Inc., Grant Park, Illinois (“GPBS”), a registered bank holding company, owns and controls The First National Bank of Grant Park, Grant Park, Illinois (the “Bank”), a national bank, and a nonbank subsidiary;

WHEREAS, it is the common goal of GPBS and the Federal Reserve Bank of Chicago (the “Reserve Bank”) to maintain the financial soundness of GPBS so that GPBS may serve as a source of strength to the Bank;

WHEREAS, GPBS and the Reserve Bank have mutually agreed to enter into this Written Agreement (the “Agreement”); and

WHEREAS, on May 29, 2012, the board of directors of GPBS, at a duly constituted meeting, adopted a resolution authorizing and directing J. Thomas Long, Chairman, to enter into this Agreement on behalf of GPBS, and consenting to compliance with each and every provision of this Agreement by GPBS and its institution-affiliated parties, as defined in sections 3(u) and

8(b)(3) of the Federal Deposit Insurance Act, as amended (the “FDI Act”) (12 U.S.C. §§ 1813(u) and 1818(b)(3)).

NOW, THEREFORE, GPBS and the Reserve Bank agree as follows:

Source of Strength

1. The board of directors of GPBS shall take appropriate steps to fully utilize GPBS’s financial and managerial resources, pursuant to section 38A of the FDI Act (12 U.S.C. § 1830o-1) and section 225.4(a) of Regulation Y of the Board of Governors of the Federal Reserve System (the “Board of Governors”) (12 C.F.R. § 225.4(a)), to serve as a source of strength to the Bank, including, but not limited to, taking steps to ensure that the Bank complies with the Formal Agreement entered into with the Office of the Comptroller of the Currency on November 28, 2011 and any other supervisory action taken by the Bank’s federal regulator.

Dividends and Distributions

2. (a) GPBS shall not declare or pay any dividends without the prior written approval of the Reserve Bank and the Director of the Division of Banking Supervision and Regulation of the Board of Governors (the “Director”).

(b) GPBS shall not directly or indirectly take dividends or any other form of payment representing a reduction in capital from the Bank without the prior written approval of the Reserve Bank.

(c) GPBS and its nonbank subsidiary shall not make any distributions of interest, principal, or other sums on subordinated debentures or trust preferred securities without the prior written approval of the Reserve Bank and the Director.

(d) All requests for prior approval shall be received by the Reserve Bank at least 30 days prior to the proposed dividend declaration date, proposed distribution on subordinated debentures, and required notice of deferral on trust preferred securities. All requests shall contain, at a minimum, current and projected information on GPBS's capital, earnings, and cash flow; the Bank's capital, asset quality, earnings, and allowance for loan and lease losses; and identification of the sources of funds for the proposed payment or distribution. For requests to declare or pay dividends, GPBS must also demonstrate that the requested declaration or payment of dividends is consistent with the Board of Governors' Policy Statement on the Payment of Cash Dividends by State Member Banks and Bank Holding Companies, dated November 14, 1985 (Federal Reserve Regulatory Service, 4-877 at page 4-323).

Debt and Stock Redemption

3. (a) GPBS and any nonbank subsidiary shall not, directly or indirectly, incur, increase, or guarantee any debt without the prior written approval of the Reserve Bank. All requests for prior written approval shall contain, but not be limited to, a statement regarding the purpose of the debt, the terms of the debt, and the planned source(s) for debt repayment, and an analysis of the cash flow resources available to meet such debt repayment.

(b) GPBS shall not, directly or indirectly, purchase or redeem any shares of its stock without the prior written approval of the Reserve Bank.

Cash Flow Projections

4. Within 60 days of this Agreement, GPBS shall submit to the Reserve Bank a written statement of its planned sources and uses of cash for debt service, operating expenses, and other purposes ("Cash Flow Projection") for 2012. GPBS shall submit to the Reserve Bank

a Cash Flow Projection for each calendar year subsequent to 2012 at least one month prior to the beginning of that calendar year.

Affiliate Transactions

5. (a) GPBS shall take all necessary actions to ensure that the Bank complies with sections 23A and 23B of the Federal Reserve Act and Regulation W of the Board of Governors (12 C.F.R. Part 223) in all transactions between the Bank and its affiliates, including but not limited to GPBS and its nonbank subsidiary.

(b) For the purpose of this paragraph, the terms: (i) “transaction” shall include, but not limited to, the transfer, contribution, sale or purchase of any Bank asset, the direct or indirect payment of any GPBS expense or obligation, or the direct or indirect assumption of any GPBS liability, the payment by the Bank of a management or service fee of any nature to GPBS, or any extension of credit by the Bank to GPBS, including overdrafts; and (ii) “extension of credit” shall be defined as set forth in section 215.3 of Regulation O of the Board of Governors (12 C.F.R. 215.3).

(c) GPBS and its nonbank subsidiary shall not cause the Bank to violate any provision of sections 23A and 23B of the Federal Reserve Act or Regulation W of the Board of Governors.

(d) Within 30 days of this Agreement, GPBS shall submit to the Reserve Bank an acceptable written plan to reimburse the Bank for all payments made by the Bank, including interest, or to appropriately collateralize the loan made by the Bank to GPBS in accordance to the Boards’ Policy Statement on Diversion of Bank Income by Parent BHC, dated March 19, 1979 (SR Letter 79-533). The plan shall specify the amount(s) to be paid to the Bank, the method used to calculate the amount of repayment including interest, and a schedule for

when the payment(s) will be made, or the amount and nature of collateral, and a timetable for providing the collateral to the Bank.

Compliance with Laws and Regulations

6. (a) In appointing any new director or senior executive officer, or changing the responsibilities of any senior executive officer so that the officer would assume a different senior executive officer position, GPBS shall comply with the notice provisions of section 32 of the FDI Act (12 U.S.C. § 1831i) and Subpart H of Regulation Y of the Board of Governors (12 C.F.R. §§ 225.71 *et seq.*).

(b) GPBS shall comply with the restrictions on indemnification and severance payments of section 18(k) of the FDI Act (12 U.S.C. § 1828(k)) and Part 359 of the Federal Deposit Insurance Corporation's regulations (12 C.F.R. Part 359).

Progress Reports

7. Within 30 days after the end of each calendar quarter following the date of this Agreement, the board of directors shall submit to the Reserve Bank written progress reports detailing the form and manner of all actions taken to secure compliance with the provisions of this Agreement and the results thereof, and a parent company only balance sheet, income statement, and, as applicable, report of changes in stockholders' equity.

Communications

8. All communications regarding this Agreement shall be sent to:

(a) Mr. Joseph Turk
Assistant Vice President & Regional Director
Federal Reserve Bank of Chicago
230 South LaSalle Street
Chicago, Illinois 60604

(b) Mr. John Betts
President
Grant Park Bancshares, Inc.
119 N. Main Street
Grant Park, Illinois 60904-0607

Miscellaneous

9. Notwithstanding any provision of this Agreement, the Reserve Bank may, in its sole discretion, grant written extensions of time to GPBS to comply with any provision of this Agreement.

10. The provisions of this Agreement shall be binding upon GPBS and its institution-affiliated parties, in their capacities as such, and their successors and assigns.

11. Each provision of this Agreement shall remain effective and enforceable until stayed, modified, terminated, or suspended in writing by the Reserve Bank.

12. The provisions of this Agreement shall not bar, estop, or otherwise prevent the Board of Governors, the Reserve Bank, or any other federal or state agency from taking any other action affecting GPBS, the Bank, or any of their current or former institution-affiliated parties and their successors and assigns.

13. Pursuant to section 50 of the FDI Act (12 U.S.C. § 1831aa), this Agreement is enforceable by the Board of Governors under section 8 of the FDI Act (12 U.S.C. § 1818).

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the 11th day of June 2012.

GRANT PARK BANCSHARES, INC.

FEDERAL RESERVE BANK OF
CHICAGO

By: /s/ J. Thomas Long
J. Thomas Long
Chairman

By: /s/ Mark H. Kawa
Mark H. Kawa
Vice President