

UNITED STATES OF AMERICA
BEFORE THE
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
AND THE
ILLINOIS OFFICE OF BANKS AND REAL ESTATE

_____)	
Written Agreement by and among)	
)	
FIRST AMERICAN BANK)	
Carpentersville, Illinois)	Docket No. 03-019-WA/RB-SM
)	
FEDERAL RESERVE BANK)	
OF CHICAGO)	
Chicago, Illinois)	
)	
and)	
)	
ILLINOIS OFFICE OF BANKS)	
AND REAL ESTATE)	
Springfield, Illinois)	
_____)	

WHEREAS, in recognition of their common goal to achieve and, thereafter, maintain compliance with consumer protection laws and regulations, the First American Bank, Carpentersville, Illinois (the "Bank"), a state chartered bank that is a member of the Federal Reserve System, the Federal Reserve Bank of Chicago (the "Reserve Bank"), and the Illinois Office of Banks and Real Estate (the "OBRE") have mutually agreed to enter into this Written Agreement (the "Agreement"); and

WHEREAS, on September 23, 2003, the board of directors of the Bank, at a duly constituted meeting, adopted a resolution authorizing and directing Thomas F. Wells ✓ to enter into this Agreement on behalf of the Bank, and consenting to compliance with each and every provision of this Agreement by the Bank and its institution-

affiliated parties, as defined by section 3(u) of the Federal Deposit Insurance Act, as amended (the "FDI Act") (12 U.S.C. 1813(u)).

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

1. Within 60 days of this Agreement, the Bank shall submit to the Reserve Bank and the OBRE an acceptable comprehensive written plan to ensure the Bank's compliance with all applicable consumer compliance laws and regulations. The plan shall respond to all criticisms and requirements set forth in the Consumer Affairs Report of Examination of the Bank conducted as January 25, 2001, by the Reserve Bank (the "Report of Examination"), and shall, at a minimum, address, consider, and include:

(a) Steps to address all violations of law and deficient practices set forth in the Report of Examination, including violations and deficiencies relating to compliance with the Equal Credit Opportunity Act (15 U.S.C. 1691); the Fair Housing Act (42 U.S.C. 3601 et seq.); the Home Mortgage Disclosure Act (12 U.S.C. 2801 et seq.); the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001-4129); and the Real Estate Settlement Procedures Act (15 U.S.C. 78g);

(b) board of directors and management oversight of the Bank's consumer compliance activities;

(c) the allocation of adequate resources to ensure the Bank's compliance with all applicable consumer protection laws and regulations;

(d) procedures for the ongoing collection of monitoring information for all applications for all loan products as required by section 202.5 of Regulation B of the Board of Governors (12 C.F.R. 202.5(b)(2));

(e) training for current and future directors, officers, and all relevant personnel of the Bank so that they develop and maintain a sufficient understanding of the requirements of consumer protection laws and regulations that pertain to their respective responsibilities;

(f) consumer compliance reviews and audits, including, at a minimum, a comparative file analysis for fair lending, and an annual independent review of the Bank's compliance with all consumer protection laws and regulations; and

(g) actions designed to generate loan applications and approvals in predominantly minority census tracts, and measurable goals to enable the Bank's board of directors and management to monitor the effectiveness of these actions.

2. Within 45 days after the end of each calendar quarter following this Agreement (September 30, December 31, March 31, and June 30), the Bank shall submit to the Reserve Bank and the OBRE a written progress report that, at a minimum, addresses, considers, and

includes corrective actions taken to comply with this Agreement, and the results thereof, and corrective actions taken for violations and deficiencies noted by future audits or reviews of the Bank's consumer compliance activities or future consumer affairs reports of examinations. Such reports may be discontinued when the Reserve Bank and the OBRE have released the Bank, in writing, from making further reports.

3. The written plan required by paragraph 1 hereof shall be submitted to the Reserve Bank and the OBRE for review and approval within the time periods set forth in this Agreement. The Bank shall adopt the approved plan within 10 days of approval by the Reserve Bank and the OBRE and then shall fully comply with it. During the term of this Agreement, the Bank shall not amend or rescind the approved plan without the prior written approval of the Reserve Bank and the OBRE.

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

- (a) Mr. Douglas Kasl
Vice President
Federal Reserve Bank of Chicago
230 South LaSalle Street
Chicago, Illinois 60604-1413
- (b) Mr. Lorenzo Padron
Commissioner
Illinois Office of Banks and Real Estate
500 East Monroe
Springfield, Illinois 62701-1532
- (c) Mr. Roman Strzelczyk
Senior Vice President
First American Bank
50 East Adams
Chicago, Illinois 60603

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

6. Each provision of this Agreement shall remain effective and enforceable until stayed, modified, terminated, or suspended by the Reserve Bank and the OBRE upon the request of the Bank.

7. Notwithstanding any provision of this Agreement to the contrary, the Reserve Bank and the OBRE may, in their sole discretion, grant written extensions of time to the Bank to comply with any provision of this Agreement.

8. The provisions of this Agreement shall not bar, stop, or otherwise prevent the Board of Governors, the Reserve Bank, the OBRE, or any federal or state agency or department from taking any other action affecting the Bank or any of its current or former institution-affiliated parties.

9. This Agreement is a "written agreement" for the purposes of, and is enforceable by the Board of Governors as an order issued under, Section 8 of the FDIA Act (12 U.S.C. 1818). In addition this Agreement is authorized under Section 48(b-1) of the Illinois Banking Act, [205 ILCS 5/1] (the "IBA") and may be enforced by the Commissioner of Banks and Real Estate pursuant to the authority provided under Section 48(b) of the IBA.

IN WITNESS HEREOF, the parties have caused this Agreement to be executed as of the 26th day of September, 2003.

FIRST AMERICAN BANK
Carpentersville, Illinois

By: Thomas E. Kelly

FEDERAL RESERVE BANK
OF CHICAGO

By: [Signature]

ILLINOIS OFFICE OF BANKS
AND REAL ESTATE

By: [Signature]