

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

Written Agreement by and between

BIG SANDY HOLDING COMPANY
Limon, Colorado

and

FEDERAL RESERVE BANK OF
KANSAS CITY
Kansas City, Missouri

Docket No. 10-056--WA/RB-HC

WHEREAS, Big Sandy Holding Company, Limon, Colorado (“Big Sandy HC”), a registered bank holding company, owns and controls Mile High Banks, Longmont, Colorado, (“Bank”), a state nonmember bank, and various nonbank subsidiaries;

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

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

WHEREAS, on May 20, 2010, the board of directors of Big Sandy HC, at a duly constituted meeting, adopted a resolution authorizing and directing Daniel Allen to enter into this Agreement on behalf of Big Sandy HC, and consenting to compliance with each and every provision of this Agreement by Big Sandy HC 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, Big Sandy HC and the Reserve Bank agree as follows:

Source of Strength

1. The board of directors of Big Sandy HC shall take appropriate steps to fully utilize Big Sandy HC’s financial and managerial resources, pursuant to 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 ensure that the Bank complies with the consent order entered into with the Federal Deposit Insurance Corporation on February 5, 2010 and any other supervisory action taken by the Bank’s federal or state regulator.

Dividends and Distributions

2. (a) Big Sandy HC 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 (the “Director”) of the Board of Governors of the Federal Reserve System (the “Board of Governors”).

(b) Big Sandy HC 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) Big Sandy HC and its nonbank subsidiaries 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 Big Sandy HC'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, Big Sandy HC 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) Big Sandy HC 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) Big Sandy HC shall not, directly or indirectly, purchase or redeem any shares of its stock without the prior written approval of the Reserve Bank.

Capital Plan

4. Within 60 days of this Agreement, Big Sandy HC shall submit to the Reserve Bank an acceptable written plan to maintain sufficient capital at Big Sandy HC on a consolidated basis. The plan shall, at a minimum, address, consider, and include:

(a) The consolidated organization's and the Bank's current and future capital requirements, including compliance with the Capital Adequacy Guidelines for Bank Holding

Companies: Risk-Based Measure and Tier 1 Leverage Measure, Appendices A and D of Regulation Y of the Board of Governors (12 C.F.R. Part 225, App. A and D) and the applicable capital adequacy guidelines for the Bank issued by the Bank's federal regulator;

(b) the adequacy of the Bank's capital, taking into account the volume of classified credits, its risk profile, the adequacy of the allowance for loan and lease losses, current and projected asset growth, and projected earnings;

(c) the source and timing of additional funds necessary to fulfill the consolidated organization's and the Bank's future capital requirements;

(d) supervisory requests for additional capital at the Bank or the requirements of any supervisory action imposed on the Bank by its federal or state regulator; and

(e) the requirements of section 225.4(a) of Regulation Y of the Board of Governors that Big Sandy HC serve as a source of strength to the Bank.

5. Big Sandy HC shall notify the Reserve Bank, in writing, no more than 45 days after the end of any quarter in which any of Big Sandy HC's capital ratios fall below the approved plan's minimum ratios. Together with the notification, Big Sandy HC shall submit an acceptable written plan that details the steps that Big Sandy HC will take to increase Big Sandy HC's capital ratios to or above the approved plan's minimums.

Cash Flow Projections

6. Within 60 days of this Agreement, Big Sandy HC shall submit to the Reserve Bank a written statement of Big Sandy HC's planned sources and uses of cash for debt service, operating expenses, and other purposes ("Cash Flow Projection") for 2010. Big Sandy HC shall submit to the Reserve Bank a Cash Flow Projection for each calendar year subsequent to 2010 at least one month prior to the beginning of that calendar year.

Compliance with Laws and Regulations

7. (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, Big Sandy HC 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) Big Sandy HC 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

8. Within 45 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.

Approval and Implementation of Plan

9. (a) Big Sandy HC shall submit a written capital plan that is acceptable to the Reserve Bank within the applicable time period set forth in paragraph 4 of this Agreement.

(b) Within 10 days of approval by the Reserve Bank, Big Sandy HC shall adopt the approved capital plan. Upon adoption, Big Sandy HC shall promptly implement the approved plan, and thereafter fully comply with it.

(c) During the term of this Agreement, the approved capital plan shall not be amended or rescinded without the prior written approval of the Reserve Bank.

Communications

10. All communications regarding this Agreement shall be sent to:
 - (a) Ms. Susan E. Zubradt
Vice President
Federal Reserve Bank of Kansas City
1 Memorial Drive
Kansas City, Missouri 64198
 - (b) Mr. Daniel Allen
Chairman of the Board
Big Sandy Holding Company
1726 Hover Street
Longmont, Colorado 80501
11. Notwithstanding any provision of this Agreement, the Reserve Bank may, in its sole discretion, grant written extensions of time to Big Sandy HC to comply with any provision of this Agreement.
12. The provisions of this Agreement shall be binding upon Big Sandy HC and its institution-affiliated parties, in their capacities as such, and their successors and assigns.
13. Each provision of this Agreement shall remain effective and enforceable until stayed, modified, terminated, or suspended in writing by the Reserve Bank.
14. 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 Big Sandy HC, the Bank, any nonbank subsidiary of Big Sandy HC, or any of their current or former institution-affiliated parties and their successors and assigns.

15. 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 20th day of May, 2010.

BIG SANDY HOLDING COMPANY

FEDERAL RESERVE BANK
OF KANSAS CITY

By: /s/ Daniel Allen
Daniel Allen
Chairman of the Board

By: /s/ Susan E. Zubradt
Susan E. Zubradt
Vice President