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Comptroller of the Currency  
Administrator of National Banks

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Western District Office  
1225 17<sup>th</sup> Street, Suite 300  
Denver, Colorado 80202  
720-475-7650; Fax: 301-333-7010

**Conditional Approval #866  
July 2008**

June 30, 2008

Joel H. Gottesman  
EVP, Chief Administrative Officer,  
Chief Legal Officer  
First National Bank of Arizona  
17600 N. Perimeter Drive  
Scottsdale, Arizona 85255

Re: Application for a Material Non-Cash Capital Contribution  
First National Bank of Arizona, Scottsdale, Arizona  
OCC Control No.: 2008-WE-12-0128

Dear Mr. Gottesman:

The Office of the Comptroller of the Currency (“OCC”) hereby conditionally approves the above-referenced application filed with the OCC on June 30, 2008. This conditional approval is granted after a thorough review of the application, other materials you supplied, and other information available to the OCC, including commitments and representations made in the application and by First National Bank of Arizona (“Bank”) representatives during the application process.

As described in the application, the non-cash capital contribution will exceed three percent of the Bank’s Tier 1 capital prior to the contribution and consists of a pool of commercial and commercial real estate loans held at the time of transfer by a non-bank affiliate of the Bank. The contribution of loans will result in an aggregate increase in the Bank’s Tier 1 and Total Capital of approximately \$26,099,085. You represented that this value is the fair realizable value of the assets.

The Bank applied for OCC approval to receive the non-cash capital contribution under 12 C.F.R. § 5.46(g)(1)(i)(C) and (i)(1). The OCC understands that this contribution is being made in compliance with and in furtherance of the OCC’s June 4, 2008 Consent Order with the Bank and the Federal Reserve Board’s June 16, 2008 Cease and Desist Order with First National Bank Holding Company, the Bank’s holding company. The OCC reviewed the proposed contribution and determined that the contribution, subject to the condition set forth below, is consistent with section 5.46, safety and soundness, and OCC policy.

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This approval is subject to the following condition:

The Bank will not advance any new money to any borrower on the contributed loans unless such advance, together with any other loans from the Bank to that borrower, is within the Bank's lending limit at the time of the advance.

This condition of approval is a "condition imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of 12 U.S.C. § 1818. As such, this condition is enforceable under 12 U.S.C. § 1818.

Pursuant to the requirements of 12 C.F.R. § 5.46(i)(3), the Bank shall notify the OCC when this material non-cash contribution to capital is completed.

This conditional approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States (U.S.), any agency or entity of the United States, or any officer or employee of the U.S., and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the U.S.

You should include the OCC control number on any correspondence related to this filing. If you have questions, contact me at 720-475-7650.

A separate letter is enclosed requesting your feedback on how we handled your request. We would appreciate your response so we may continue to improve our service.

Sincerely,

*signed*

James A. Bundy  
Acting Director for District Licensing

Enclosure: Survey Letter