

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

BEFORE THE
STATE BANKING BOARD

ORDER

The North Dakota State Banking Board ("board") takes notice of a federal law (12 C.F.R. 32.3 (c)(3)) authorizing a legal lending limit exception for federally chartered bank loans secured by U.S. obligations; providing in part:

(c) Loans not subject to the lending limits. The following loans or extensions of credit are not subject to the lending limits of 12 U.S.C. 84 or this part.

...

(3)(i) Loans secured by U.S. obligations. Loans or extensions of credit, or portions thereof, to the extent fully secured by the current market value of:

(A) Bonds, notes, certificates of indebtedness, or Treasury bills of the United States or by similar obligations fully guaranteed as to principal and interest by the United States;

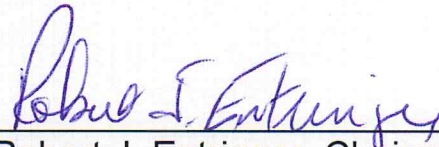
(B) Loans to the extent guaranteed as to repayment of principal by the full faith and credit of the U.S. government, as set forth in paragraph (c)(4)(ii) of this section.

(ii) To qualify under this paragraph, the bank must perfect a security interest in the collateral under applicable law.

The board, having reviewed the supporting materials, and otherwise being fully advised of the issues, makes the following ORDER pursuant to N.D.C.C. § 6-03-02.3:

The North Dakota State Banking Board hereby adopts an exception from the legal lending limit under section 6-03-59 of the North Dakota Century Code, for loans secured by U.S. obligations as defined under 12 C.F.R. 32.3(c)(3). Under no circumstances shall the authorization afforded to state chartered banks under this Order exceed that provided to federally chartered banks under 12 C.F.R. 32.3(c)(3).

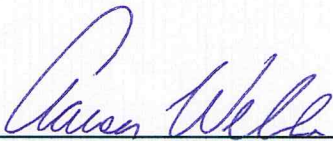
Dated this 10th day of November, 2011.



Robert J. Entringer, Chairman
State Banking Board

Signed on behalf of the State
Banking Board pursuant to a duly
approved motion of the Board on
November 10, 2011.

ATTEST:



Aaron K. Webb, Secretary
State Banking Board