FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of ROCKY MOUNTAIN BANK & TRUST FLORENCE FLORENCE, COLORADO (Insured State Nonmember Bank)	)	SUPERVISORY PROMPT CORRECTIVE ACTION DIRECTIVE FDIC-10-0291 PCAS

ROCKY MOUNTAIN BANK & TRUST FLORENCE, FLORENCE COLORADO ("Bank"), is an undercapitalized insured depository institution as that term is defined in section 38(b)(1)(c) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. § 1831o(b)(1)(c), and section 325.103(b)(3) of the Federal Deposit Insurance Corporation ("FDIC") Rules and Regulations, 12 C.F.R. § 325.103(b)(3), based upon the February 16, 2010 examination of the Bank which shows its capital levels to be as follows: Tier 1 Leverage Ratio 5.18%, Tier 1 Risk Based Capital 6.32%, and Total Risk Based Capital Ratio 7.43%. The terms "Leverage Ratio", "Tier 1 Risk Based Capital Ratio", and "Total Risk Based Capital Ratio" shall have the same meanings as set forth in Sections 325.2(m),(w), and (y) of the FDIC Rules and Regulations, 12 C.F.R. §§ 325.2(m),(w), and (y).

The Bank was deemed to have been put on notice of its Undercapitalized capital category as of its December 31, 2009 Consolidated Report of Condition ("Call Report") filing with the FDIC pursuant to Section 325.102 of the FDIC Rules and Regulations, 12 C.F.R. § 325.102. During the February 16, 2010 examination, the Bank was again notified of its Undercapitalized capital category and was informed that the Bank was required to submit an acceptable capital restoration plan.

On March 31, 2010, the Bank submitted a capital restoration plan ("Bank's Plan") in response to the preliminary regulatory examination adjustments to the December 31, 2009, balance sheet and income statement. In the Bank's Plan, the Bank acknowledged the Bank's status as an Undercapitalized institution and the Bank complied with the requirements of the capital restoration plan content requirements as set forth in Section 38(e)(2)(B) of the Act, 12 U.S.C. § 1831o(e)(2)(B).

The FDIC reviewed the Bank's Plan and determined that the Bank's Plan was unacceptable pursuant to Section 38(e)(2)(c) of the Act, 12 U.S.C. § 1831o(e)(2)(c), and Section 325.104 of the FDIC Rules and Regulations, 12 C.F.R. § 325.104. The Bank was notified that the Bank's Plan was unacceptable by letter dated April 19, 2010.

Pursuant to Section 38(f)(1)(b), 12 U.S.C. § 1831o(f)(1)(b), and section 325.104(d) of the FDIC Rules and Regulations, 12 C.F.R. § 325.104(d), the provisions applicable to a Significantly Undercapitalized institution now apply to the Bank since the Bank has failed to submit an acceptable capital restoration plan to the FDIC.

Accordingly, the FDIC issued a NOTICE OF INTENT TO ISSUE A SUPERVISORY PROMPT CORRECTIVE ACTION DIRECTIVE ("NOTICE") against the Bank on April 19, 2010. The Bank responded to the NOTICE on April 30, 2010, pursuant to the provisions of

Section 308.201(c) of the FDIC's Rules of Practice and Procedure and Regulations, 12 C.F.R. § 308.201(c), by submitting a revised capital restoration plan. The FDIC considered the Bank's revised capital restoration plan pursuant to the provisions of Section 308.201(d) of the FDIC's Rules of Practice and Procedure and Regulations, 12 C.F.R. § 308.201(d), and is hereby issuing this modified SUPERVISORY PROMPT CORRECTIVE ACTION DIRECTIVE ("DIRECTIVE") pursuant to the provisions of Section 38 of the Act, 12 U.S.C. § 1831o, and Part 308 of FDIC's Rules of Practice and Procedure and Regulations, 12 C.F.R. Part 308 detailing the actions required by the Bank and/or the proscriptions which will be imposed on the Bank.

SUPERVISORY PROMPT CORRECTIVE ACTION DIRECTIVE

1. IT IS DIRECTED, on or before June 8, 2010, the Bank shall submit an acceptable revised capital restoration plan to the Regional Director of the Dallas Regional Office ("Regional Director") in accordance with Section 38(e)(2) of the Act, 12 U.S.C. § 1831o(e)(2). The Bank's capital restoration plan shall meet the requirements of Section 325.104 of the FDIC Rules and Regulations, 12 C.F.R. § 325.104, and expressly provide, among other things, that at a minimum the Bank shall restore and maintain its capital, at minimum, to the level of an Adequately Capitalized as defined in Section 38(b)(1)(B) of the Act, 12 U.S.C. § 1831o(b)(1)(B).

2. IT IS FURTHER DIRECTED, that the Bank shall comply with all prompt corrective action provisions mandated by Section 38 of the Act, 12 U.S.C. § 1831o, including but not limited to the following:

(a) Restriction on asset growth pursuant to Section 38(e)(3) of the Act, 12 U.S.C. § 1831o(e)(3);

(b) Obtain requisite prior approval by the FDIC, pursuant to Section 38(e)(4) of the Act, 12 U.S.C. § 1831o(e)(4), before the Bank directly or indirectly:

(i) acquires any interest in any company or insured depository institution;

(ii) establishes or acquires any additional branch office; or

(iii) engages in any new line of business;

(c) Restriction on capital distributions pursuant to Section 38(d)(1) of the Act, 12 U.S.C. § 1831o(d)(1), as "capital distribution" is defined in Section 38(b)(2)(B) of the Act, 12 U.S.C. § 1831o(b)(2)(B);

(d) Restriction on payment of management fees pursuant to Section 38(d)(2) of the Act, 12 U.S.C. § 1831o(d)(2), as "management fee" is defined in Section 325.2(n) of the FDIC's Rules and Regulations, 12 C.F.R. § 325.2(n);

(e) Obtain requisite prior written approval by the FDIC before a bonus or other additional compensation is paid to senior executive officers pursuant to Section 38(f)(4) of the Act, 12 U.S.C. § 1831o(f)(4); and

(f) Employ qualified senior executive officers pursuant to Section 38(f)(2)(F) of the Act, 12 U.S.C. § 1831o(f)(2)(F).

3. IT IS FURTHER HEREBY DIRECTED, during the period that this DIRECTIVE is in effect, the Bank shall not purchase, acquire, or engage in any similar activity with respect to private label mortgage-backed securities ("PLMBS") without the prior written approval of the Regional Director pursuant to Section 38(f)(2)(E), 12 U.S.C. § 1831o(f)(2)(E).

4. IT IS FURTHER DIRECTED, during the period this DIRECTIVE is in effect, the Bank shall strictly comply with Section 23A of the Federal Reserve Act as if the exemption in subsection (d)(1) of that section (exempting transactions with certain affiliated institutions) did not apply pursuant to Section 38(f)(2)(B) of the Act, 12 U.S.C. § 1831o(f)(2)(B).

5. (a) During the period this DIRECTIVE is in effect, the Bank shall not accept, renew or rollover any brokered deposits as defined in Section 337.6(a)(2) of the FDIC Rules and Regulations, 12 C.F.R. § 337.6(a)(2), pursuant to the provisions of Section 337.6(b)(3), 12 C.F.R. § 337.6(b)(3).

(b) During the period this DIRECTIVE is in effect, the Bank shall restrict the interest rates the Bank pays on deposits to comply with the interest rate restrictions in Section 337.6(b)(3)(ii) and (4) of the FDIC Rules and Regulations, 12 C.F.R. § 337.6(b)(3)(ii) and (4).

6. IT IS FURTHER DIRECTED that the provisions of this DIRECTIVE shall remain effective and enforceable until the Bank has been adequately capitalized on average for four (4) consecutive calendar quarters, except to the extent that any provision has been modified, terminated, suspended or set aside by the FDIC.

7. IT IS FURTHER DIRECTED that by the 15th day of the month following the issuance of this DIRECTIVE and by the 15th day of every month thereafter, the Bank shall provide written reports to the Regional Director specifically detailing the extent of the Bank's compliance with this DIRECTIVE and further specifically detailing the required corrective actions being taken by the Bank to secure full compliance with this DIRECTIVE.

8. IT IS FURTHER DIRECTED, after the effective date of this DIRECTIVE, the Bank shall send to its shareholders a description of this DIRECTIVE

(a) in conjunction with the Bank's next shareholder communication, and also

(b) in conjunction with its notice or proxy statement preceding the Bank's next shareholder meeting.

The description shall fully describe this DIRECTIVE in all material respects. The description and any accompanying communication, statement, or notice shall be sent to the FDIC, Accounting and Securities Disclosure Section, Room 6066, 550 17th Street, N.W., Washington, D.C. 20429, for review at least 20 days prior to dissemination to shareholders. Any changes requested to be made by the FDIC shall be made prior to dissemination of the description, communication, notice or statement.

IT IS FURTHER DIRECTED, that this DIRECTIVE shall become effective immediately upon its issuance by the FDIC.

Each provision of this DIRECTIVE shall be binding upon the Bank, its directors, officers, employees, agents, successors, assigns, and other institution-affiliated parties of the Bank.

Each provision of this DIRECTIVE shall remain effective and enforceable until the Bank has been adequately capitalized on average for four consecutive calendar quarters, except to the extent that any provision has been modified, terminated, suspended, or set aside by the FDIC.

Pursuant to delegated authority.

Dated at Dallas, Texas, this 26th day of May, 2010.

/s/
Kristie K. Elmquist
Acting Regional Director
Division of Supervision and
Consumer Protection