

AGREEMENT CONCERNING FIDUCIARY ENGAGEMENTS AND
PROCESS REQUIREMENTS FOR EMPLOYER STOCK TRANSACTIONS

The Secretary of the United States Department of Labor (the "Secretary") and GreatBanc Trust Company ("the Trustee"), by and through their attorneys, have agreed that the policies and procedures described below apply whenever the Trustee serves as a trustee or other fiduciary of any employee stock ownership plan subject to Title I of ERISA ("ESOP") in connection with transactions in which the ESOP is purchasing or selling, is contemplating purchasing or selling, or receives an offer to purchase or sell, employer securities that are not publicly traded.

A. Selection and Use of Valuation Advisor – General. In all transactions involving the purchase or sale of employer securities that are not publicly traded, the Trustee will hire a qualified valuation advisor, and will do the following:

1. prudently investigate the valuation advisor's qualifications;
2. take reasonable steps to determine that the valuation advisor receives complete, accurate and current information necessary to value the employer securities; and
3. prudently determine that its reliance on the valuation advisor's advice is reasonable before entering into any transaction in reliance on the advice.

B. Selection of Valuation Advisor – Conflicts of Interest. The Trustee will not use a valuation advisor for a transaction that has previously performed work – including but not limited to a "preliminary valuation" – for or on behalf of the ESOP sponsor (as distinguished from the ESOP), any counterparty to the ESOP involved in the transaction, or any other entity that is structuring the transaction (such as an investment bank) for any party other than the ESOP or its trustee. The Trustee will not use a valuation advisor for a transaction that has a familial or corporate relationship (such as a parent-subsidary relationship) to any of the aforementioned persons or entities. The Trustee will obtain written confirmation from the valuation advisor selected that none of the above-referenced relations exist.

C. Selection of Valuation Advisor – Process. In selecting a valuation advisor for a transaction involving the purchase or sale of employer securities, the Trustee will prepare a written analysis addressing the following topics:

1. The reason for selecting the particular valuation advisor;
2. A list of all the valuation advisors that the Trustee considered;
3. A discussion of the qualifications of the valuation advisors that the Trustee considered;
4. A list of references checked and discussion of the references' views on the valuation advisors;
5. Whether the valuation advisor was the subject of prior criminal or civil proceedings; and
6. A full explanation of the bases for concluding that the Trustee's selection of the valuation advisor was prudent.

If the Trustee selects a valuation advisor from a roster of valuation advisors that it has previously used, the Trustee need not undertake anew the analysis outlined above if the following conditions are satisfied: (a) the Trustee previously performed the analysis in connection with a prior engagement of the valuation advisor; (b) the previous analysis was completed within the 15 month period immediately preceding the valuation advisor's selection for a specific transaction; (c) the Trustee documents in writing that it previously performed the analysis, the date(s) on which the Trustee performed the analysis, and the results of the analysis; and (d) the valuation advisor certifies that the information it previously provided pursuant to item (5) above is still accurate.

D. Oversight of Valuation Advisor – Required Analysis. In connection with any purchase or sale of employer securities that are not publicly traded, the Trustee will request that the valuation advisor document the following items in its valuation report,¹ and if the valuation advisor does not so document properly, the Trustee will prepare supplemental documentation of the following items to the extent they were not documented by the valuation advisor:

¹ As used herein, "valuation report" means the final valuation report as opposed to previous versions or drafts.

1. Identify in writing the individuals responsible for providing any projections reflected in the valuation report, and as to those individuals, conduct reasonable inquiry as to:
(a) whether those individuals have or reasonably may be determined to have any conflicts of interest in regard to the ESOP (including but not limited to any interest in the purchase or sale of the employer securities being considered); (b) whether those individuals serve as agents or employees of persons with such conflicts, and the precise nature of any such conflicts; and (c) record in writing how the Trustee and the valuation advisor considered such conflicts in determining the value of employer securities;
2. Document in writing an opinion as to the reasonableness of any projections considered in connection with the proposed transaction and explain in writing why and to what extent the projections are or are not reasonable. At a minimum, the analysis shall consider how the projections compare to, and whether they are reasonable in light of, the company's five-year historical averages and/or medians and the five-year historical averages and/or medians of a group of comparable public companies (if any exist) for the following metrics, unless five-year data are unavailable (in which case, the analyses shall use averages extending as far back as possible):
 - a. Return on assets
 - b. Return on equity
 - c. EBIT margins
 - d. EBITDA margins
 - e. Ratio of capital expenditures to sales
 - f. Revenue growth rate
 - g. Ratio of free cash flows (of the enterprise) to sales
3. If it is determined that any of these metrics should be disregarded in assessing the reasonableness of the projections, document in writing both the calculations of the metric (unless calculation is impossible) and the basis for the conclusion that the

- metric should be disregarded. The use of additional metrics to evaluate the reasonableness of projections other than those listed in section D(2)(a)-(g) above is not precluded as long as the appropriateness of those metrics is documented in writing. If comparable companies are used for any part of a valuation – whether as part of a Guideline Public Company method, to gauge the reasonableness of projections, or for any other purpose – explain in writing the bases for concluding that the comparable companies are actually comparable to the company being valued, including on the basis of size, customer concentration (if such information is publicly available), and volatility of earnings. If a Guideline Public Company analysis is performed, explain in writing any discounts applied to the multiples selected, and if no discount is applied to any given multiple, explain in significant detail the reasons.
4. If the company is projected to meet or exceed its historical performance or the historical performance of the group of comparable public companies on any of the metrics described in paragraph D(2) above, document in writing all material assumptions supporting such projections and why those assumptions are reasonable.
 5. To the extent that the Trustee or its valuation advisor considers any of the projections provided by the ESOP sponsor to be unreasonable, document in writing any adjustments made to the projections.
 6. If adjustments are applied to the company's historical or projected financial metrics in a valuation analysis, determine and explain in writing why such adjustments are reasonable.
 7. If greater weight is assigned to some valuation methods than to others, explain in writing the weighting assigned to each valuation method and the basis for the weightings assigned.
 8. Consider, as appropriate, how the plan document provisions regarding stock distributions, the duration of the ESOP loan, and the age and tenure of the ESOP participants, may affect the ESOP sponsor's prospective repurchase obligation, the prudence of the stock purchase, or the fair market value of the stock.

9. Analyze and document in writing (a) whether the ESOP sponsor will be able to service the debt taken on in connection with the transaction (including the ability to service the debt in the event that the ESOP sponsor fails to meet the projections relied upon in valuing the stock); (b) whether the transaction is fair to the ESOP from a financial point of view; (c) whether the transaction is fair to the ESOP relative to all the other parties to the proposed transaction; (d) whether the terms of the financing of the proposed transaction are market-based, commercially reasonable, and in the best interests of the ESOP; and (e) the financial impact of the proposed transaction on the ESOP sponsor, and document in writing the factors considered in such analysis and conclusions drawn therefrom.

E. Financial Statements.

1. The Trustee will request that the company provide the Trustee and its valuation advisor with audited unqualified financial statements prepared by a CPA for the preceding five fiscal years, unless financial statements extending back five years are unavailable (in which case, the Trustee will request audited unqualified financial statement extending as far back as possible).
2. If the ESOP Sponsor provides to the Trustee or its valuation advisor unaudited or qualified financial statements prepared by a CPA for any of the preceding five fiscal years (including interim financial statements that update or supplement the last available audited statements), the Trustee will determine whether it is prudent to rely on the unaudited or qualified financial statements notwithstanding the risk posed by using unaudited or qualified financial statements.
3. If the Trustee proceeds with the transaction notwithstanding the lack of audited unqualified financial statements prepared by a CPA (including interim financial statements that update or supplement the last available audited statements), the Trustee will document the bases for the Trustee's reasonable belief that it is prudent to rely on the financial statements, and explain in writing how it accounted for any risk posed by using qualified or unaudited statements. If the Trustee does not believe that it can reasonably

conclude that it would be prudent to rely on the financial statements used in the valuation report, the Trustee will not proceed with the transaction. While the Trustee need not audit the financial statements itself, it must carefully consider the reliability of those statements in the manner set forth herein.

F. Fiduciary Review Process – General. In connection with any transaction involving the purchase or sale of employer securities that are not publicly traded, the Trustee agrees to do the following:

1. Take reasonable steps necessary to determine the prudence of relying on the ESOP sponsor's financial statements provided to the valuation advisor, as set out more fully in paragraph E above;
2. Critically assess the reasonableness of any projections (particularly management projections), and if the valuation report does not document in writing the reasonableness of such projections to the Trustee's satisfaction, the Trustee will prepare supplemental documentation explaining why and to what extent the projections are or are not reasonable;
3. Document in writing its bases for concluding that the information supplied to the valuation advisor, whether directly from the ESOP sponsor or otherwise, was current, complete, and accurate.

G. Fiduciary Review Process – Documentation of Valuation Analysis. The Trustee will document in writing its analysis of any final valuation report relating to a transaction involving the purchase or sale of employer securities. The Trustee's documentation will specifically address each of the following topics and will include the Trustee's conclusions regarding the final valuation report's treatment of each topic and explain in writing the bases for its conclusions:

1. Marketability discounts;
2. Minority interests and control premiums;
3. Projections of the company's future economic performance and the reasonableness or unreasonableness of such projections, including, if applicable, the bases for assuming

- that the company's future financial performance will meet or exceed historical performance or the expected performance of the relevant industry generally;
4. Analysis of the company's strengths and weaknesses, which may include, as appropriate, personnel, plant and equipment, capacity, research and development, marketing strategy, business planning, financial condition, and any other factors that reasonably could be expected to affect future performance;
 5. Specific discount rates chosen, including whether any Weighted Average Cost of Capital used by the valuation advisor was based on the company's actual capital structure or that of the relevant industry and why the chosen capital structure weighting was reasonable;
 6. All adjustments to the company's historical financial statements;
 7. Consistency of the general economic and industry-specific narrative in the valuation report with the quantitative aspects of the valuation report;
 8. Reliability and timeliness of the historical financial data considered, including a discussion of whether the financial statements used by the valuation advisor were the subject of unqualified audit opinions, and if not, why it would nevertheless be prudent to rely on them;
 9. The comparability of the companies chosen as part of any analysis based on comparable companies;
 10. Material assumptions underlying the valuation report and any testing and analyses of these assumptions;
 11. Where the valuation report made choices between averages, medians, and outliers (e.g., in determining the multiple(s) used under the "guideline company method" of valuation), the reasons for the choices;
 12. Treatment of corporate debt;
 13. Whether the methodologies employed were standard and accepted methodologies and the bases for any departures from standard and accepted methodologies;

14. The ESOP sponsor's ability to service any debt or liabilities to be taken on in connection with the proposed transaction;
15. The proposed transaction's reasonably foreseeable risks as of the date of the transaction;
16. Any other material considerations or variables that could have a significant effect on the price of the employer securities.

H. Fiduciary Review Process – Reliance on Valuation Report.

1. The Trustee, through its personnel who are responsible for the proposed transaction, will do the following, and document in writing its work with respect to each:

- a. Read and understand the valuation report;
- b. Identify and question the valuation report's underlying assumptions;
- c. Make reasonable inquiry as to whether the information in the valuation report is materially consistent with information in the Trustee's possession;
- d. Analyze whether the valuation report's conclusions are consistent with the data and analyses; and
- e. Analyze whether the valuation report is internally consistent in material aspects.

2. The Trustee will document in writing the following: (a) the identities of its personnel who were primarily responsible for the proposed transaction, including any person who participated in decisions on whether to proceed with the transaction or the price of the transaction; (b) any material points as to which such personnel disagreed and why; and (c) whether any such personnel concluded or expressed the belief prior to the Trustee's approval of the transaction that the valuation report's conclusions were inconsistent with the data and analysis therein or that the valuation report was internally inconsistent in material aspects.

3. If the individuals responsible for performing the analysis believe that the valuation report's conclusions are not consistent with the data and analysis or that the valuation report is internally inconsistent in material respects, the Trustee will not proceed with the transaction.

I. Preservation of Documents. In connection with any transaction completed by the Trustee through its committee or otherwise, the Trustee will create and preserve, for at least six (6) years, notes and records that document in writing the following:

1. The full name, business address, telephone number and email address at the time of the Trustee's consideration of the proposed transaction of each member of the Trustee's Fiduciary Committee (whether or not he or she voted on the transaction) and any other Trustee personnel who made any material decision(s) on behalf of the Trustee in connection with the proposed transaction, including any of the persons identified pursuant to H(2) above;
2. The vote (yes or no) of each member of the Trustee's Fiduciary Committee who voted on the proposed transaction and a signed certification by each of the voting committee members and any other Trustee personnel who made any material decision(s) on behalf of the Trustee in connection with the proposed transaction that they have read the valuation report, identified its underlying assumptions, and considered the reasonableness of the valuation report's assumptions and conclusions;
3. All notes and records created by the Trustee in connection with its consideration of the proposed transaction, including all documentation required by this Agreement;
4. All documents the Trustee and the persons identified in 1 above relied on in making their decisions;
5. All electronic or other written communications the Trustee and the persons identified in 1 above had with service providers (including any valuation advisor), the ESOP sponsor, any non-ESOP counterparties, and any advisors retained by the ESOP sponsor or non-ESOP counterparties.

J. Fair Market Value. The Trustee will not cause an ESOP to purchase employer securities for more than their fair market value or sell employer securities for less than their fair market value. The DOL states that the principal amount of the debt financing the transaction, irrespective of the interest rate, cannot exceed the securities' fair market value. Accordingly, the Trustee will not cause an ESOP to engage in a leveraged stock purchase transaction in which the

principal amount of the debt financing the transaction exceeds the fair market value of the stock acquired with that debt, irrespective of the interest rate or other terms of the debt used to finance the transaction.

K. Consideration of Claw-Back. In evaluating proposed stock transactions, the Trustee will consider whether it is appropriate to request a claw-back arrangement or other purchase price adjustment(s) to protect the ESOP against the possibility of adverse consequences in the event of significant corporate events or changed circumstances. The Trustee will document in writing its consideration of the appropriateness of a claw-back or other purchase price adjustment(s).

L. Other Professionals. The Trustee may, consistent with its fiduciary responsibilities under ERISA, employ, or delegate fiduciary authority to, qualified professionals to aid the Trustee in the exercise of its powers, duties, and responsibilities as long as it is prudent to do so.

M. This Agreement is not intended to specify all of the Trustee's obligations as an ERISA fiduciary with respect to the purchase or sale of employer stock under ERISA, and in no way supersedes any of the Trustee's obligations under ERISA or its implementing regulations.

IN WITNESS WHEREOF, the Secretary and GreatBanc have executed this Agreement in duplicate originals on the dates indicated by their respective signatures.

FOR THE SECRETARY:

FOR GREATBANC TRUST COMPANY:

PATRICIA SMITH
Solicitor of Labor

By: _____ Date: _____

Title: _____

G. WILLIAM SCOTT
Acting Associate Solicitor
Plan Benefits Security Division

RISA D. SANDLER
Counsel for Fiduciary Litigation

ROBERT L. FURST
Senior Trial Attorney



Date: 6/2/2014

SYMA AHMAD
JEFFREY M. HAHN
DAVID M. ELLIS
Attorneys for Plaintiff

IN WITNESS WHEREOF, the Secretary and GreatBanc have executed this Agreement in duplicate originals on the dates indicated by their respective signatures.

FOR THE SECRETARY:

PATRICIA SMITH
Solicitor of Labor

G. WILLIAM SCOTT
Acting Associate Solicitor
Plan Benefits Security Division

RISA D. SANDLER
Counsel for Fiduciary Litigation

ROBERT L. FURST
Senior Trial Attorney

_____ Date: _____
SYMA AHMAD
JEFFREY M. HAHN
DAVID M. ELLIS
Attorneys for Plaintiff

FOR GREATBANC TRUST COMPANY:

By: _____

Date: 6/1/2014

Title: _____

EXHIBIT A

AGREEMENT CONCERNING PROCESS REQUIREMENTS FOR
EMPLOYEE STOCK OWNERSHIP PLAN TRANSACTIONS

First Bankers Trust Services, Inc. ("FBTS") agrees to apply the following policies and procedures whenever FBTS serves as trustee or other fiduciary of an employee stock ownership plan ("ESOP") subject to Title I of the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq. ("ERISA") that is purchasing or selling, is contemplating purchasing or selling, or receives an offer to purchase or sell, employer securities that are not publicly traded ("Transaction").

A. Selection and Use of valuation advisor - General. FBTS shall do the following:

1. Prudently investigate the valuation advisor's qualifications;
2. Take reasonable steps to determine that the valuation advisor receives complete, accurate, and current information necessary to value the plan sponsor's securities;
3. Document what steps FBTS took – including who at FBTS took those steps – to determine that the valuation advisor received complete, accurate, and current information and to ensure FBTS understood the advice of the valuation advisor; and
4. Prudently determine that its reliance on the valuation advisor's advice is reasonable before entering into any Transaction in reliance on the advice.

B. Selection of valuation advisor - Conflicts of Interest. FBTS shall not use a valuation advisor for a Transaction that has previously performed work for any party to the Transaction other than the ESOP or its trustee, including but not limited to a "preliminary valuation" for or on behalf of the plan sponsor (as distinguished from the

ESOP), a committee of employees of the plan sponsor, any counterparty to the ESOP involved in the Transaction, or any other entity that is structuring the Transaction (such as an investment bank). FBTS shall not use a valuation advisor for a Transaction that has a familial or corporate relationship (such as a parent-subsidary relationship) to any of the aforementioned persons or entities. FBTS shall obtain written confirmation from the valuation advisor selected that none of the above-referenced relations exist.

C. Selection of valuation advisor - Process.

1. In selecting a valuation advisor for a Transaction, FBTS shall prepare a written analysis addressing the following topics:
 - a. The reason for selecting the particular valuation advisor;
 - b. A list of all the valuation advisors that FBTS considered;
 - c. A discussion of the qualifications of the valuation advisors that FBTS considered;
 - d. A list of at least three references checked and discussion of the references' views on the valuation advisor;
 - e. Whether the valuation advisor was the subject of prior criminal, civil, or regulatory proceedings/investigations related to its previous valuation work and the outcome of such proceedings or investigations; and
 - f. A full explanation of the basis for concluding that FBTS' selection of the valuation advisor was prudent.
2. If FBTS selects a valuation advisor from a roster of valuation advisors that it has previously used or who have previously been approved in connection with FBTS's vendor risk management program, FBTS need not undertake anew the analysis outlined above if the following conditions are satisfied:

a. FBTS previously performed the analysis described above in connection with a prior engagement of the valuation advisor or in connection with the vendor risk management program;

b. The previous analysis was completed within the prior calendar year immediately preceding FBTS's selection of the valuation advisor;

c. FBTS documents in writing in the vendor risk management program file that it previously performed the analysis, the date(s) on which FBTS performed the analysis and the results of the analysis;

d. The FBTS vendor risk management program file contains the valuation advisor's confirmation that the information it previously provided pursuant to item (C)(1)(e) above is still accurate.

D. Oversight of valuation advisor – Required Analysis. Prior to approving a Transaction, FBTS shall request that the valuation advisor document the following items in its Valuation Report¹ and, if the valuation advisor does not so document, FBTS shall prepare or require the preparation of supplemental documentation of the following items to the extent they were not documented by the valuation advisor:

1. Use of Projections: The individual(s) responsible for providing any projections reflected in the Valuation Report, and, as to those individuals, conduct reasonable inquiry as to, and record in writing:

a. Whether those individuals have or reasonably may be determined to have any conflicts of interest in regard to the ESOP including but not limited

¹ All references to the term "Valuation Report" refer to the valuation advisor's report on which FBTS relies prior to the Transaction in deciding whether to approve or reject the Transaction.

to any interest in the purchase or sale of the plan sponsor's stock being considered;

b. Whether those individuals serve as agents or employees of persons with such conflicts, and the precise nature of any such conflicts; and

c. How FBTS and the valuation advisor considered such conflicts in determining the value of the plan sponsor's securities.

2. An opinion as to the reasonableness of any projections considered in connection with the Transaction that explains in writing why and to what extent the projections are or are not reasonable. At a minimum, the analysis shall consider how the projections compare to, and whether they are reasonable in light of, the plan sponsor's five-year historical averages and/or medians and the five-year historical averages and/or medians of a group of comparable public companies (if any exist) for the following metrics, unless five-year data are unavailable (in which case, the analysis shall use averages extending as far back as possible):

- a. Return on assets;
- b. Return on equity;
- c. EBIT and EBITDA margins;
- d. Ratio of capital expenditures to sales;
- e. Revenue growth rate; and
- f. Ratio of free cash flows (of the enterprise) to sales.

3. If it is determined that any of these metrics should be disregarded in assessing the reasonableness of the projections, document in writing both the calculations of the metric (unless calculation is impossible) and the basis for the conclusion that the metric should be disregarded. The use of additional metrics to evaluate the reasonableness of projections other than those listed in section (D) (2) (a)-(f) above is not precluded as

long as the appropriateness of those metrics is documented in writing.

4. If comparable companies are used for any part of a valuation - whether as part of a guideline company method of valuation, to gauge the reasonableness of projections, or for any other purpose, explain in writing the basis for concluding that the comparable companies are actually comparable to the plan sponsor being valued, including on the basis of size, customer concentration (if such information is publicly available), and volatility of earnings. If a guideline company analysis is performed, explain in writing any discounts applied to the multiples selected, and if no discount is applied to any given multiple, explain in detail the reasons.

5. If the plan sponsor is projected to meet or exceed its historical performance or the historical performance of the group of comparable public companies on any of the metrics described in paragraph (D)(2) above, document in writing all material assumptions supporting such projections and why those assumptions are reasonable.

6. To the extent that FBTS or its valuation advisor considers any of the projections provided by the plan sponsor to be unreasonable, document in writing any adjustments made to the projections.

7. If adjustments are applied to the plan sponsor's historical or projected financial metrics in a valuation analysis, determine and explain in writing why such adjustments are reasonable.

8. Describe the risks facing the plan sponsor that could cause the plan sponsor's financial performance to fall materially below the projections relied upon by the valuation advisor.

9. If greater weight is assigned to some valuation methods than to others, explain in writing the weighting assigned to each valuation method and the basis for

the weightings assigned.

10. Consider, as appropriate, how the ESOP document provisions regarding stock distributions, the duration of the ESOP loan, and the age and tenure of the ESOP participants, may affect the plan sponsor's prospective repurchase obligation, the prudence of the Transaction or the fair market value of the stock.

11. Analyze and document in writing:

- a. Whether the plan sponsor will be able to service the debt taken on in connection with the Transaction (including the ability to service the debt in the event that the plan sponsor fails to meet the projections relied upon in valuing the stock);
- b. Whether the Transaction is fair to the ESOP participants from a financial point of view;
- c. Whether the Transaction is fair to the ESOP participants relative to all the other parties to the Transaction;
- d. Whether the terms of the financing of the Transaction are market-based, commercially reasonable, and in the best interests of the ESOP participants;
- e. Whether the terms of any loan the ESOP receives in connection with the Transaction are as favorable as the terms of any loans between the plan sponsor and any executive of the plan sponsor made within the two years preceding the Transaction; and
- f. The financial impact of the Transaction on the plan sponsor, and document in writing the factors considered in such analysis and conclusions drawn therefrom.

12. Explain any material differences between the present valuation and the most recent prior valuation of the plan sponsor performed within the past 24 months by

any valuation firm for any purpose (if any exist).

E. Financial Statements.

1. FBTS shall request that the plan sponsor provide FBTS and its valuation advisor with unqualified audited financial statements for the preceding five fiscal years, unless unqualified audited financial statements extending back five years are unavailable (in which case, FBTS shall request unqualified audited financial statements extending as far back as possible).

2. If the plan sponsor provides to FBTS or its valuation advisor unaudited or qualified audited financial statements for any of the preceding five fiscal years (including interim financial statements that update or supplement the last available unqualified audited financial statement), FBTS shall determine whether it is prudent to rely on these financial statements notwithstanding the risk posed by using unaudited or qualified audited financial statements.

3. If FBTS proceeds with the Transaction notwithstanding the lack of unqualified audited financial statements (including interim financial statements that update or supplement the last available unqualified audited financial statement), FBTS shall document the basis for FBTS' reasonable belief that it is prudent to rely on the financial statements, and explain in writing how FBTS accounted for any risk posed by using financial statements other than unqualified audited financial statements. If FBTS does not believe that it can reasonably conclude that it would be prudent to rely on the financial statements used in the Valuation Report, FBTS shall not proceed with the Transaction. While FBTS need not audit the financial statements themselves, it must carefully consider the reliability of those statements in the manner set forth herein.

4. FBTS may approve a Transaction notwithstanding the lack of

unqualified audited financial statements (including interim financial statements that update or supplement the last unqualified audited financial statement) only if the stock purchase agreement includes a provision requiring the selling or purchasing shareholder(s) who is(are) an officer, manager, or member of the board of directors of the plan sponsor to compensate the ESOP for any losses or other harms caused by or related to financial statements that did not accurately reflect the plan sponsor's financial condition.

F. Fiduciary Review Process - General. In connection with any Transaction, FBTS agrees to do the following:

1. Take reasonable steps necessary to determine the prudence of relying on the plan sponsor's financial statements provided to the valuation advisor, as set out more fully in paragraph E above;

2. Critically assess the reasonableness of any projections (particularly management projections), and if the Valuation Report does not document in writing the reasonableness of such projections to FBTS' satisfaction, FBTS shall prepare supplemental documentation explaining why and to what extent the projections are or are not reasonable;

3. If FBTS believes the projections are unreasonable, FBTS shall ask the valuation advisor to account for the unreasonable projections in its valuation, request new and reasonable projections from management, or reject the Transaction. FBTS must document the basis for its decision.

4. Ensure that the information the valuation advisor obtains from the plan sponsor and purchasing or selling shareholder(s) includes the following, to the extent it exists:

a. Any prior attempts by the purchasing or selling shareholder(s) to purchase or sell their stock in the plan sponsor within the proceeding two

(2) years;

- b. Any prior defaults within the past five years by the plan sponsor under any lending or financing agreement;
- c. Any management letters provided to the plan sponsor by its accountants within the past five years; and
- d. Any information related to a valuation of the plan sponsor provided to the Internal Revenue Service within the past five years.

G. Fiduciary Review Process - Documentation of Valuation Analysis.

FBTS shall document in writing its analysis of the Valuation Report relating to a Transaction. FBTS' documentation shall specifically address each of the following topics and shall include FBTS' conclusions regarding the Valuation Report's treatment of each topic and explain in writing the basis for its conclusions:

- 1. Marketability discounts;
- 2. Minority interests and control premiums;
- 3. Projections of the plan sponsor's future financial performance and the reasonableness or unreasonableness of such projections, including, if applicable, the basis for assuming that the plan sponsor's future financial performance will meet or exceed historical performance or the expected performance of the relevant industry generally;
- 4. Analysis of the plan sponsor's strengths and weaknesses, which may include, as appropriate, personnel, plant and equipment, capacity, research and development, marketing strategy, business planning, financial condition, and any other factors that reasonably could be expected to affect future performance;
- 5. Specific discount rates chosen, including whether any weighted average cost of capital used by the valuation advisor was based on the plan sponsor's actual

capital structure or that of the relevant industry and why the chosen capital structure weighting was reasonable;

6. All adjustments to the plan sponsor's historical financial statements;
7. Consistency of the general economic and industry-specific narrative in the Valuation Report with the quantitative aspects of the Valuation Report;
8. Reliability and timeliness of the historical financial data considered, including a discussion of whether the financial statements used by the valuation advisor were the subject of unqualified audit opinions, and if not, why it would nevertheless be prudent to rely on them;
9. The comparability of the companies chosen as part of any analysis based on the plan sponsor's comparable companies;
10. Material assumptions underlying the Valuation Report and any testing and analysis of these assumptions;
11. Where the Valuation Report made choices between averages, medians, and outliers (e.g., in determining the multiple(s) used under the guideline company method of valuation), the reasons for the choices;
12. Treatment of corporate debt;
13. Whether the methodologies employed were standard and accepted methodologies and the basis for any departures from standard and accepted methodologies;
14. The plan sponsor's ability to service any debt or liabilities to be taken on in connection with the Transaction;
15. The Transaction's reasonably foreseeable risks as of the date of the Transaction; and
16. Any other material considerations or variables that could have a

significant effect on the price of the plan sponsor's securities.

H. Fiduciary Review Process - Reliance on Valuation Report.

1. FBTS, through its employees who are primarily responsible for the proposed Transaction, including any employee who participated in decisions on whether to proceed with the Transaction or the price of the Transaction, shall do the following, and document in writing its work with respect to each:

- a. Read and understand the Valuation Report;
- b. Identify and question the valuation report's underlying assumptions;
- c. Make reasonable inquiry as to whether the information in the Valuation Report is materially consistent with information in FBTS' possession;
- d. Analyze whether the Valuation Report's conclusions are consistent with the data and analysis; and
- e. Analyze whether the Valuation Report is internally consistent in material aspects.

2. FBTS shall document in writing the following: (a) the identities of its employees who were primarily responsible for the proposed Transaction, including any employee who participated in decisions on whether to proceed with the Transaction or the price of the Transaction; (b) any material points as to which such employee disagreed and why; and (c) whether any such employee concluded or expressed the belief prior to FBTS's approval of the Transaction that the valuation report's conclusions were inconsistent with the data and analysis therein or that the valuation report was internally inconsistent in material aspects.

3. If the employees who were primarily responsible for the Transaction,

including any employee who participated in decisions on whether to proceed with the Transaction or the price of the Transaction, believe that the Valuation Report's conclusions are not consistent with the data and analysis or that the Valuation Report is internally inconsistent in material respects, FBTS shall not proceed with the Transaction.

I. Preservation of Documents. In connection with any Transaction approved by FBTS, FBTS will create a Transaction folder and preserve, for at least six (6) years the following:

1. The full name, business address, business telephone number and email address at the time of FBTS' consideration of the Transaction of each employee who was primarily responsible for the Transaction, including any employee who participated in decisions on whether to proceed with the Transaction or the price of the Transaction, and any other FBTS employee who made any material decision(s) on behalf of FBTS in connection with the Transaction;
2. All relevant notes and records created by FBTS in connection with its consideration of the Transaction, including all documentation required by this Consent Order;
3. The vote (yes or no) of each employee of FBTS who voted on the proposed transaction and a signed certification by each voting employee, in his or her representative capacity, and any other FBTS employee who made any material decision(s) on behalf of FBTS in connection with the proposed Transaction that they have read the valuation report, identified its underlying assumptions, and considered the reasonableness of the valuation report's assumptions and conclusions;
4. All relevant documents FBTS and the employees identified in paragraph (I)1 above relied on in making the decisions;

5. All relevant electronic or other written communications FBTS and the employees identified in paragraph (I)1 above had with service providers (including any valuation advisor), the plan sponsor, any non-ESOP counterparties, and any advisors retained by the plan sponsor or non-ESOP counterparties;

J. Debt and Fair Market Value. The principal amount of the debt financing the Transaction, irrespective of the interest rate, cannot exceed the plan sponsor's securities' fair market value. Accordingly, FBTS shall not cause an ESOP to engage in a leveraged stock purchase Transaction in which the principal amount of the debt financing the Transaction exceeds the fair market value of the plan sponsor's securities acquired with that debt, irrespective of the interest rate or other terms of the debt used to finance the Transaction.

K. Control. If FBTS approves a Transaction in which the ESOP cedes any degree of control to which it would otherwise be entitled based on its ownership interest, including but not limited to the unencumbered ability to vote its shares (for example, by electing members of the board of directors), FBTS must document any consideration received in exchange for such limitation on the ESOP's control (or how the limitation on control is otherwise reflected in the purchase price) and why it is fair to the ESOP. If FBTS approves a Transaction in which the ESOP pays a control premium, FBTS must document why it believes that the ESOP is obtaining voting control, and control in fact, and identify any limitations on such control as well as the specific amount of consideration the ESOP received for such limitation(s).

L. Consideration of Claw-Back. In evaluating a proposed Transaction, FBTS shall consider whether it is appropriate to request a claw-back arrangement or other purchase price adjustment(s) to protect the ESOP against the possibility of adverse

consequences in the event of significant corporate events or changed circumstances. FBTS shall document in writing its consideration of the appropriateness of a claw-back or other purchase price adjustment(s).

M. Other Professionals. FBTS may, consistent with its fiduciary responsibilities under ERISA, employ, or delegate fiduciary authority to qualified professional service providers to aid FBTS in the exercise of its powers, duties, and responsibilities in the Transaction as long as it is prudent to do so.

EXHIBIT A

AGREEMENT CONCERNING FIDUCIARY ENGAGEMENTS AND PROCESS REQUIREMENTS FOR EMPLOYER STOCK TRANSACTIONS

The Secretary of Labor (the "Secretary") and James F. Joyner, III (the "Trustee") agree that the policies and procedures described below (the "Process Agreement") apply whenever the Trustee serves as a trustee or other fiduciary of any employee stock ownership plan ("ESOP") subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), in connection with transactions in which the ESOP is purchasing or selling, is contemplating purchasing or selling, or receives an offer to purchase or sell, employer securities that are not publicly traded.

A. Selection and Use of Valuation Advisor-General. In all transactions involving the purchase or sale of employer securities that are not publicly traded, the Trustee will hire a qualified valuation advisor, and will do the following:

1. Prudently investigate the valuation advisor's qualifications;
2. Take reasonable steps to determine that the valuation advisor receives complete, accurate, and current information necessary to value the employer securities; and,
3. Prudently determine that the Trustee's reliance on the valuation advisor's advice is reasonable before entering into any transaction in reliance on the advice.

B. Selection of Valuation Advisor - Conflicts of Interest. The Trustee will not use a valuation advisor for a transaction that has previously performed work - including but not limited to any preliminary valuation- for or on behalf of the ESOP sponsor (as distinguished from the ESOP), any counterparty to the ESOP involved in the transaction, or any other entity that is structuring the transaction (such as an investment bank) for any party other than the ESOP or its trustee. The Trustee will not use a valuation advisor for a transaction that has a familial or

corporate relationship (such as a parent-subsidary relationship) to any of the aforementioned persons or entities. The Trustee will obtain written confirmation from the valuation advisor selected that none of the above-referenced relations exist.

C. Selection of Valuation Advisor - Process. In selecting a valuation advisor for a transaction involving the purchase or sale of employer securities, the Trustee will prepare a written analysis addressing the following topics:

1. The reason for selecting the particular valuation advisor;
2. A list of all the valuation advisors that the Trustee considered;
3. A discussion of the qualifications of the valuation advisors that the Trustee considered;
4. A list of references checked and discussion of the references' views on the valuation advisors;
5. Whether the valuation advisor was the subject of prior criminal or civil proceedings; and,
6. A full explanation of the bases for concluding that the Trustee's selection of the valuation advisor was prudent.

If the Trustee selects a valuation advisor from a roster of valuation advisors that he has previously used, the Trustee need not undertake anew the analysis outlined above if the following conditions are satisfied:

1. The Trustee previously performed the analysis in connection with a prior engagement of the valuation advisor;
2. The previous analysis was completed within the twenty-four (24) month period immediately preceding the valuation advisor's selection for a specific transaction;

3. The Trustee documents in writing that he previously performed the analysis, the date(s) on which the Trustee performed the analysis, and the results of the analysis;
and,
4. The valuation advisor certifies that the information it previously provided pursuant to item C.5 above is still accurate.

D. Oversight of Valuation Advisor - Required Analysis. In connection with any purchase or sale of employer securities that are not publicly traded, the Trustee will request that the valuation advisor document the following items in its valuation report,¹ and if the valuation advisor does not so document properly, the Trustee will prepare supplemental documentation of the following items to the extent they were not documented by the valuation advisor:

1. Identify in writing the individuals responsible for providing any projections reflected in the valuation report, and as to those individuals, conduct reasonable inquiry as to:
 - (a) whether those individuals have or reasonably may be determined to have any conflicts of interest in regard to the ESOP (including but not limited to any interest in the purchase or sale of the employer securities being considered);
 - (b) whether those individuals serve as agents or employees of persons with such conflicts, and the precise nature of any such conflicts: and,
 - (c) record in **writing** how the Trustee and the valuation advisor considered such conflicts in determining the value of employer securities;
2. Document in writing an opinion as to the reasonableness of any projections considered in connection with the proposed transaction and explain in writing why and to what extent the projections are or are not reasonable. At a minimum, the

¹ The phrase "valuation report," as used in this Agreement, means the final valuation report as opposed to previous versions or drafts.

analysis shall consider how the projections compare to, and whether they are reasonable in light of, the company's five-year historical averages and medians and the five-year historical averages and medians of a group of comparable public companies (if any exist) for the following metrics, unless five-year data are unavailable (in which case, the analyses shall use averages extending as far back as possible):

- (a) Return on assets;
- (b) Return on equity;
- (c) EBIT margins;**
- (d) EBITDA margins;
- (e) Ratio of capital expenditures to sales;
- (f) Revenue growth rate; and,
- (g) Ratio of free cash flows (of the enterprise) to sales.

3. If it is determined that any of these metrics should be disregarded in assessing the reasonableness of the projections, document in writing both the calculations of the metric (unless calculation is impossible) and the basis for the conclusion that the metric should be disregarded. The use of additional metrics to evaluate the reasonableness of projections other than those listed in section D.2(a)-(g) above is not precluded as long as the appropriateness of those metrics is documented in writing. If comparable companies are used for any part of a valuation - whether as part of a Guideline Public Company method, to gauge the reasonableness of projections, or for any other purpose - explain in writing the bases for concluding that the chosen guideline companies are actually comparable to the company being

valued, including on the basis of size, customer concentration (if such information is publicly available), and volatility of earnings. If a Guideline Public Company analysis is performed, explain in writing any discounts applied to the multiples selected, and if no discount is applied to any given multiple, explain in significant detail the reasons.

4. If the company is projected to meet or exceed its historical performance or the historical performance of the group of comparable public companies on any of the metrics described in paragraph D.2 above, document in writing all material assumptions supporting such projections and why those assumptions are reasonable.
5. To the extent that the Trustee or its valuation advisor considers any of the projections provided by the ESOP sponsor to be unreasonable, document in writing any adjustments made to the projections.
6. If adjustments are applied to the company's historical or projected financial metrics in a valuation analysis, determine and explain in writing why such adjustments are reasonable.
7. If greater weight is assigned to some valuation methods than to others, explain in writing the weighting assigned to each valuation method and the basis for the weightings assigned. If the valuation advisor does not use a Discounted Cash Flow analysis, explain in writing why such an analysis was not performed..
8. Consider, as appropriate, how the plan document provisions regarding stock distributions, the duration of the ESOP loan, and the age and tenure of the ESOP participants, may affect the ESOP sponsor's prospective repurchase obligation, the prudence of the stock purchase, or the fair market value of the stock.

9. Analyze and document in writing:
 - (a) whether the ESOP sponsor will be able to service the debt taken on in connection with the transaction (including the ability to service the debt in the event that the ESOP sponsor fails to meet the projections relied upon in valuing the stock);
 - (b) whether the transaction is fair to the ESOP from a financial point of view;
 - (c) whether the transaction is fair to the ESOP relative to all the other parties to the proposed transaction;
 - (d) whether the terms of the financing of the proposed transaction are market-based, commercially reasonable, and in the best interests of the ESOP; and,
 - (e) the financial impact of the proposed transaction on the ESOP sponsor, and document in writing the factors considered in such analysis and conclusions drawn therefrom.

E. Financial Statements.

1. The Trustee will request that the company provide the Trustee and his valuation advisor with financial statements examined in accordance with generally accepted United States auditing standards by a Certified Public Accountant ("CPA") for the preceding five fiscal years, unless financial statements extending back five years are unavailable (in which case, the Trustee will request audited financial statement extending as far back as possible).
2. If the ESOP Sponsor provides to the Trustee or his valuation advisor any audited financial statement containing any disclaimer or modification by the CPA, the Trustee will determine whether it is prudent to rely on a financial statement

notwithstanding the risk posed by using financial statements containing a disclaimer or modification.

3. If the ESOP Sponsor provides to the Trustee or his valuation advisor financial statements not audited by a CPA, or provides financial statements as to which a CPA has provided a modified opinion of any type, for any of the preceding five fiscal years (including interim financial statements that update or supplement the last available audited statements), the Trustee will determine whether it is prudent to rely on the unaudited financial statements or financial statements as to which a CPA has provided a modified opinion or any type, notwithstanding the risk posed by using financial statements lacking an auditor's opinion or as to which a CPA has provided a modified opinion of any type.
4. If the Trustee proceeds with the transaction notwithstanding the lack of access to financial statements as to which a CPA has expressed an unqualified opinion (including interim financial statements that update or supplement the last available audited statements), the Trustee will document the bases for the Trustee's reasonable belief that it is prudent to rely on the financial statements, and explain in writing how he accounted for any risk posed by using financial statements lacking an auditor's opinion or as to which a CPA has provided a modified opinion of any type. If the Trustee does not believe that he can reasonably conclude that it would be prudent to rely on the financial statements used in the valuation report, the Trustee will not proceed with the transaction. Although the Trustee is not required to audit the financial statements himself, he must carefully consider the reliability of those statements in the manner set forth in this Process Agreement.

F. Fiduciary Review Process- General. In connection with any transaction involving the purchase or sale of employer securities that are not publicly traded, the Trustee agrees to do all of the following:

1. Take reasonable steps necessary to determine the prudence of relying on the ESOP sponsor's financial statements provided to the valuation advisor, as set out more fully in Section E above;
2. Critically assess the reasonableness of any projections (particularly management projections), and if the valuation report does not document in writing the reasonableness of such projections, the Trustee will prepare supplemental documentation explaining why and to what extent the projections are or are not reasonable; and,
3. Document in writing the Trustee's bases for concluding that the information supplied to the valuation advisor, whether directly from the ESOP sponsor or otherwise, was current, complete, and accurate.

G. Fiduciary Review Process-Documentation of Valuation Analysis. The Trustee will document in writing his analysis of any final valuation report relating to a transaction involving the purchase or sale of employer securities. The Trustee's documentation will specifically address each of the following topics and will include the Trustee's conclusions regarding the final valuation report's treatment of each topic and explain in writing the bases for his conclusions:

1. Marketability discounts;
2. Minority interests and control premiums;

3. Projections of the company's future economic performance and the reasonableness or unreasonableness of such projections, including, if applicable, the bases for assuming that the company's future financial performance will meet or exceed historical performance or the expected performance of the relevant industry generally;
4. Analysis of the company's strengths and weaknesses, which may include, as appropriate, personnel, plant and equipment, capacity, research and development, marketing strategy, business planning, financial condition, and any other factors that reasonably could be expected to affect future performance;
5. Specific discount rates chosen, including whether any Cost of Equity or Weighted Average Cost of Capital used by the valuation advisor was based on the company's actual capital structure or that of the relevant industry and why the chosen capital structure weighting was reasonable;
6. All adjustments to the company's historical financial statements;
7. Consistency of the general economic and industry-specific narrative in the valuation report with the quantitative aspects of the valuation report;
8. Reliability and timeliness of the historical financial data considered, including a discussion of whether the financial statements used by the valuation advisor were the subject of unqualified audit opinions, and if not, why it would nevertheless be prudent to rely on them;
9. The comparability of the companies chosen as part of any analysis based on comparable companies;

10. Material assumptions underlying the valuation report and any testing and analyses of these assumptions;
11. Where the valuation report made choices between averages, medians, and outliers (e.g., in determining the multiple(s) used under the "guideline company method" of valuation), the reasons for the choices;
12. Treatment of corporate debt;
13. Whether the methodologies employed were standard and accepted methodologies and the bases for any departures from standard and accepted methodologies;
14. The ESOP sponsor's ability to service any debt or liabilities to be taken on in connection with the proposed transaction;
15. The proposed transaction's reasonably foreseeable risks as of the date of the transaction; and,
16. Any other material considerations or variables that could have a significant effect on the price of the employer securities.

H. Fiduciary Review Process - Reliance on Valuation Report.

1. The Trustee will perform all of the following and document in writing his work with respect to each:
 - (a) read and understand the valuation report;
 - (b) identify and question the valuation report's underlying assumptions;
 - (c) make reasonable inquiry as to whether the information in the valuation report is materially consistent with information in the Trustee's possession;
 - (d) analyze whether the valuation report's conclusions are consistent with the data and analyses; and,

- (e) analyze whether the valuation report is internally consistent in all material aspects.
2. The Trustee will document in writing all of the following:
- (a) the identities of his partners, staff, assistants, associates, employees, or consultants who were responsible for the proposed transaction, including any person who participated in decisions about whether to proceed with the transaction or the price of the transaction;
 - (b) any material points as to which such persons identified under Section H.2(a) above disagreed and why; and,
 - (c) whether any such persons identified under Section H.2(a) above concluded or expressed the belief prior to the Trustee's approval of the transaction that the valuation report's conclusions were inconsistent with the data and analysis therein or that the valuation report was internally inconsistent in any material aspects.
3. If any person identified under Section H.2(a) responsible for performing the analysis believe that the valuation report's conclusions are not consistent with the data and analysis or that the valuation report is internally inconsistent in any material respects, the Trustee will not proceed with the transaction.

I. Preservation of Documents. In connection with any transaction completed by the Trustee, he will create and preserve, for at least six (6) years, notes and records that document in writing all of the following:

- 1. As of the date of the Trustee's consideration of the proposed transaction, the full name, business address, telephone number, and email address of any person who

made any material decision(s) on behalf of the Trustee in connection with the proposed transaction, including any of the persons identified pursuant Section H.2 above;

2. A signed certification in connection with the proposed transaction that the Trustee, and any person identified under Section H.2 above, has read the valuation report, identified its underlying assumptions, and considered the reasonableness of the valuation report's assumptions and conclusions;
3. All notes and records created by the Trustee in connection with his consideration of the proposed transaction, including all documentation required by this Process Agreement;
4. All documents the Trustee and any persons identified under Section H.2 above relied on in making their decisions; and,
5. All electronic or other written communications the Trustee and any persons identified under Section H.2 above had with any service providers (including any valuation advisor) in connection with the transaction, the ESOP sponsor, any non-ESOP counterparties, and any advisors retained by the ESOP sponsor or non-ESOP counterparties.

J. Fair Market Value. The Trustee will not cause an ESOP to purchase employer securities for more than their fair market value or sell employer securities for less than their fair market value. The Department of Labor interprets ERISA to require that the principal amount of the debt financing the transaction, irrespective of the interest rate, not exceed the securities' fair market value. Accordingly, the Trustee will not cause an ESOP to engage in a leveraged stock purchase transaction in which the principal amount of the debt financing the transaction exceeds

the fair market value of the stock acquired with that debt, irrespective of the interest rate or other terms of the debt used to finance the transaction.

K. Consideration of Claw-Back. In evaluating proposed stock transactions, the Trustee will consider whether it is appropriate to request a claw-back arrangement or other purchase or sale price adjustment(s) to protect the ESOP against the possibility of adverse consequences in the event of significant corporate events or changed circumstances. The Trustee will document in writing its consideration of the appropriateness of a claw-back or other purchase or sale price adjustment(s).

L. Other Professionals. The Trustee may, consistent with its fiduciary responsibilities under ERISA, employ, or delegate fiduciary authority to, qualified professionals to aid the Trustee in the exercise of its powers, duties, and responsibilities as long as it is prudent to do so.

M. Insurance Coverage. Before agreeing to serve as a trustee or fiduciary in connection with any transaction for the purchase or sale of employer stock by any ESOP, the Trustee must obtain insurance coverage under at least one of the following requirements:

1. Before the proposed ESOP transaction, the Trustee will use all good faith efforts to obtain insurance coverage under a non-wasting policy sufficient to provide coverage for liability under ERISA in connection with the proposed transaction.
2. In the event the Trustee is unable after good faith efforts to obtain insurance coverage as stated under Section M.1 above, the Trustee must be named as a covered individual under the ESOP sponsor's insurance policy as a condition for agreeing to serve as a trustee or fiduciary in connection with any transaction for the purchase or sale of employer stock by any ESOP. If the Trustee intends to obtain insurance coverage under this Section M.2, the Trustee must obtain a written agreement from

the BSOP's sponsor that the Trustee must be named as a covered individual under the BSOP sponsor's insurance policy as a condition for the Trustee to serve as a trustee or fiduciary for the BSOP.

N. Not An Exclusive List of Fiduciary Duties. This Process Agreement is not intended to specify all of the Trustee's obligations as an BRISA fiduciary with respect to the purchase or sale of employer stock under BRISA, and in no way supersedes any of the Trustee's obligations under BRISA or its implementing regulations.

O. Headings. Any headings or titles preceding any of the sections or provisions of this Process Agreement are inserted solely for the convenience of reference, shall not constitute a part of this Process Agreement, and shall not otherwise affect the meanings, content, effect, or construction of this Process Agreement.

P. Counterparts. This Process Agreement may be signed in multiple counterparts and transmitted by facsimile or by electronic mail or by any other electronic means intended to preserve the original graphic and pictorial appearance of a party's signature, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, and intending to be legally bound, the Secretary and James F. Joyner III have caused this Process Agreement to be executed personally or by their duly authorized representatives as of the dates set forth below.



JAMES F. JOYNER III
P.O. Box 5084
Spartanburg, SC 29304-5084
864-316-9346
jjoyner@integrabc.com

15 Sep 2017

Date

NICHOLAS C. GEALE
Acting Solicitor of Labor

OSCAR L. HAMPTON III
Regional Solicitor of Labor



GEOFFREY FORNEY
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Attorneys for the Secretary of Labor

29 Sept. 2017

Date

EXHIBIT D

AGREEMENT CONCERNING PROCESS REQUIREMENTS FOR EMPLOYEE STOCK OWNERSHIP PLAN TRANSACTIONS

Alpha Investment Consulting Group, LLC (“Alpha”) agrees to apply the following policies and procedures whenever Alpha serves as trustee or other fiduciary of an employee stock ownership plan (“ESOP”) subject to Title I of the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq. (“ERISA”) that is purchasing or selling, is contemplating purchasing or selling, or receives an offer to purchase or sell, employer securities that are not publicly traded (“Transaction”).

A. Selection and Use of valuation advisor - General. Alpha shall do the following:

1. Prudently investigate the valuation advisor's qualifications;
2. Take reasonable steps to determine that the valuation advisor receives complete, accurate, and current information necessary to value the plan sponsor's securities;
3. Contemporaneously document the steps Alpha took – including who at Alpha took those steps – to determine that the valuation advisor received complete, accurate, and current information and to ensure Alpha understood the advice of the valuation advisor; and
4. Prudently determine that its reliance on the valuation advisor's advice is reasonable before entering into any Transaction in reliance on the advice.

B. Selection of valuation advisor - Conflicts of Interest. Alpha shall not use a valuation advisor for a Transaction that has previously performed work for any party to the Transaction other than the ESOP or its trustee, including but not limited to a

"preliminary valuation" for or on behalf of the plan sponsor (as distinguished from the ESOP), a committee of employees of the plan sponsor, any counterparty to the ESOP involved in the Transaction, or any other entity that is structuring the Transaction (such as an investment bank). Alpha shall not use a valuation advisor for a Transaction that has a familial or corporate relationship (such as a parent-subsidary relationship) to any of the aforementioned persons or entities. Alpha shall obtain written confirmation from the valuation advisor selected that none of the above-referenced relations exist.

C. Selection of valuation advisor - Process.

1. In selecting a valuation advisor for a Transaction, Alpha shall prepare a written analysis addressing the following topics:
 - a. The reason for selecting the particular valuation advisor;
 - b. A list of all the valuation advisors that Alpha considered;
 - c. A discussion of the qualifications of the valuation advisors that Alpha considered;
 - d. A list of at least three references checked and discussion of the references' views on the valuation advisor;
 - e. Whether the valuation advisor was the subject of prior criminal, civil, or regulatory proceedings/investigations related to its previous valuation work and the outcome of such proceedings or investigations; and
 - f. A full explanation of the basis for concluding that Alpha's selection of the valuation advisor was prudent.
2. If Alpha selects a valuation advisor from a roster of valuation advisors that it has previously used, Alpha need not undertake a-new the analysis outlined above if the following conditions are satisfied:

- a. Alpha previously performed the analysis described above in connection with a prior engagement of the valuation advisor;
- b. The previous analysis was completed within the prior calendar year immediately preceding Alpha's selection of the valuation advisor;
- c. Alpha documents in writing that it previously performed the analysis, the date(s) on which Alpha performed the analysis and the results of the analysis;
- d. Alpha's files contain the valuation advisor's confirmation that the information it previously provided pursuant to item (C)(1)(e) above is still accurate.

D. Oversight of valuation advisor – Required Analysis. Prior to approving a Transaction, Alpha shall request that the valuation advisor document the following items in its Valuation Report¹ and, if the valuation advisor does not so document, Alpha shall prepare or require the preparation of supplemental documentation of the following items to the extent they were not documented by the valuation advisor:

- 1. Use of Projections: Conduct reasonable inquiry into projections given by individual(s) responsible for providing any projections reflected in the Valuation Report, such reasonable inquiry shall include:
 - a. Whether those individuals have or reasonably may be determined to have any conflicts of interest in regard to the ESOP including but not limited to any interest in the purchase or sale of the plan sponsor's stock being considered;
 - b. Whether those individuals serve as agents or employees of persons with such conflicts, and the precise nature of any such conflicts; and

¹ All references to the term "Valuation Report" refer to the valuation advisor's report on which Alpha relies prior to the Transaction in deciding whether to approve or reject the Transaction.

c. How Alpha and the valuation advisor considered such conflicts in determining the value of the plan sponsor's securities.

2. An opinion as to the reasonableness of any projections considered in connection with the Transaction that explains in writing why and to what extent the projections are or are not reasonable. At a minimum, the analysis shall consider how the projections compare to, and whether they are reasonable in light of, the plan sponsor's five-year historical averages and/or medians and the five-year historical averages and/or medians of a group of comparable public companies (if any exist) for the following metrics, unless five-year data are unavailable (in which case, the analysis shall use averages extending as far back as possible):

- a. Return on assets;
- b. Return on equity;
- c. EBIT and EBITDA margins;
- d. Ratio of capital expenditures to sales;
- e. Revenue growth rate; and
- f. Ratio of free cash flows (of the enterprise) to sales.

3. If it is determined that any of these metrics should be disregarded in assessing the reasonableness of the projections, document in writing both the calculations of the metric (unless calculation is impossible) and the basis for the conclusion that the metric should be disregarded. The use of additional metrics to evaluate the reasonableness of projections other than those listed in section (D) (2) (a)-(f) above is not precluded as long as the appropriateness of those metrics is documented in writing.

4. If comparable companies are used for any part of a valuation - whether as part of a guideline company method of valuation, to gauge the reasonableness

of projections, or for any other purpose, explain in writing the basis for concluding that the comparable companies are actually comparable to the plan sponsor being valued, including on the basis of size, customer concentration (if such information is publicly available), and volatility of earnings. If a guideline company analysis is performed, explain in writing any discounts applied to the multiples selected, and if no discount is applied to any given multiple, explain in detail the reasons.

5. If the plan sponsor is projected to meet or exceed its historical performance or the historical performance of the group of comparable public companies on any of the metrics described in paragraph (D) (2) above, document in writing all material assumptions supporting such projections and why those assumptions are reasonable.

6. To the extent that Alpha or its valuation advisor considers any of the projections provided by the plan sponsor to be unreasonable, document in writing all adjustments made to the projections.

7. If adjustments are applied to the plan sponsor's historical or projected financial metrics in a valuation analysis, determine and explain in writing why such adjustments are reasonable.

8. Describe the risks facing the plan sponsor that could cause the plan sponsor's financial performance to fall materially below the projections relied upon by the valuation advisor.

9. If greater weight is assigned to some valuation methods than to others, explain in writing the weighting assigned to each valuation method and the basis for the weightings assigned.

10. Consider, as appropriate, how the ESOP document provisions regarding stock distributions, the duration of the ESOP loan, and the age and tenure of the

ESOP participants, may affect the plan sponsor's prospective repurchase obligation, the prudence of the Transaction or the fair market value of the stock.

11. Analyze and document in writing:

- a. Whether the plan sponsor will be able to service the debt taken on in connection with the Transaction (including the ability to service the debt in the event that the plan sponsor fails to meet the projections relied upon in valuing the stock);
- b. Whether the Transaction is fair to the ESOP participants from a financial point of view;
- c. Whether the Transaction is fair to the ESOP participants relative to all the other parties to the Transaction;
- d. Whether the terms of the financing of the Transaction are market-based, commercially reasonable, and in the best interests of the ESOP participants;
- e. Whether both seller financing and financial institution financing was considered and whether the loans sought from financial institutions were within the amounts the financial institution was willing to loan;
- f. Whether the terms of any loan the ESOP receives in connection with the Transaction are as favorable as the terms of any loans between the plan sponsor and any executive of the plan sponsor made within the two years preceding the Transaction; and
- g. The financial impact of the Transaction on the plan sponsor, and document in writing the factors considered in such analysis and conclusions drawn therefrom.

12. Explain any material differences between the present valuation and the most recent prior valuation of the plan sponsor performed within the past 24 months by

any valuation firm for any purpose (if any exist).

E. Financial Statements.

1. Alpha shall request that the plan sponsor provide Alpha and its valuation advisor with unqualified audited financial statements for the preceding five fiscal years, unless unqualified audited financial statements extending back five years are unavailable (in which case, Alpha shall request unqualified audited financial statements extending as far back as possible).

2. If the plan sponsor provides to Alpha or its valuation advisor unaudited or qualified audited financial statements for any of the preceding five fiscal years (including interim financial statements that update or supplement the last available unqualified audited financial statement), Alpha shall determine whether it is prudent to rely on these financial statements notwithstanding the risk posed by using unaudited or qualified audited financial statements.

3. If Alpha proceeds with the Transaction notwithstanding the lack of unqualified audited financial statements (including interim financial statements that update or supplement the last available unqualified audited financial statement), Alpha shall document the basis for Alpha's belief that it is prudent to rely on the financial statements, and explain in writing how Alpha accounted for any risk posed by using financial statements other than unqualified audited financial statements. If Alpha does not believe that it can reasonably conclude that it would be prudent to rely on the financial statements used in the Valuation Report, Alpha shall not proceed with the Transaction. While Alpha need not audit the financial statements themselves, it must carefully consider the reliability of those statements in the manner set forth herein.

4. Alpha may approve a Transaction notwithstanding the lack of

unqualified audited financial statements (including interim financial statements that update or supplement the last unqualified audited financial statement) only if the stock purchase agreement includes a provision requiring the selling or purchasing shareholder(s) who is(are) an officer, manager, or member of the board of directors of the plan sponsor to compensate the ESOP for any losses or other harms caused by or related to financial statements that did not accurately reflect the plan sponsor's financial condition.

F. Fiduciary Review Process - General. In connection with any Transaction, Alpha agrees to do the following:

1. Take reasonable steps necessary to determine the prudence of relying on the plan sponsor's financial statements provided to the valuation advisor, as set out more fully in paragraph E above;

2. Critically assess the reasonableness of all projections (particularly management projections), and if the Valuation Report does not document in writing the reasonableness of such projections to Alpha's satisfaction, Alpha shall prepare supplemental documentation explaining why and to what extent the projections are or are not reasonable;

3. If Alpha believes the projections are unreasonable, Alpha shall ask the valuation advisor to account for the unreasonable projections in its valuation, request new and reasonable projections from management, or reject the Transaction. Alpha must document the basis for its decision.

4. Ensure that the information the valuation advisor obtains from the plan sponsor and purchasing or selling shareholder(s) includes the following, to the extent it exists:

a. All prior attempts by the purchasing or selling shareholder(s)

to purchase or sell their stock in the plan sponsor within the proceeding two (2) years;

b. All prior defaults within the past five years by the plan sponsor under any lending or financing agreement;

c. All management letters provided to the plan sponsor by its accountants within the past five years; and

d. All information related to a valuation of the plan sponsor provided to the Internal Revenue Service within the past five years.

G. Fiduciary Review Process - Documentation of Valuation Analysis.

Alpha shall document in writing its analysis of the Valuation Report relating to a Transaction. Alpha's documentation shall specifically address each of the following topics and shall include Alpha's conclusions regarding the Valuation Report's treatment of each topic and explain in writing the basis for its conclusions:

1. Marketability discounts;

2. Minority interests and control premiums;

3. Projections of the plan sponsor's future financial performance and the reasonableness or unreasonableness of such projections, including, if applicable, the basis for assuming that the plan sponsor's future financial performance will meet or exceed historical performance or the expected performance of the relevant industry generally;

4. Analysis of the plan sponsor's strengths and weaknesses, which may include, as appropriate, personnel, plant and equipment, capacity, research and development, marketing strategy, business planning, financial condition, and any other factors that reasonably could be expected to affect future performance;

5. Specific discount rates chosen, including whether any weighted average cost of capital used by the valuation advisor was based on the plan sponsor's actual

capital structure or that of the relevant industry and why the chosen capital structure weighting was reasonable;

6. All adjustments to the plan sponsor's historical financial statements;

7. Consistency of the general economic and industry-specific narrative in the Valuation Report with the quantitative aspects of the Valuation Report;

8. Reliability and timeliness of the historical financial data considered, including a discussion of whether the financial statements used by the valuation advisor were the subject of unqualified audit opinions, and if not, why it would nevertheless be prudent to rely on them;

9. The comparability of the companies chosen as part of any analysis based on the plan sponsor's comparable companies;

10. Material assumptions underlying the Valuation Report and all testing and analysis of these assumptions;

11. Where the Valuation Report made choices between averages, medians, and outliers (e.g., in determining the multiple(s) used under the guideline company method of valuation), the reasons for the choices;

12. Treatment of corporate debt;

13. Whether the methodologies employed were standard and accepted methodologies and the basis for any departures from standard and accepted methodologies;

14. The plan sponsor's ability to service all debt or liabilities to be taken on in connection with the Transaction;

15. The Transaction's reasonably foreseeable risks as of the date of the Transaction; and

16. All other material considerations or variables that could have a

significant effect on the price of the plan sponsor's securities.

H. Fiduciary Review Process - Reliance on Valuation Report.

1. Alpha, through its employees who are primarily responsible for the proposed Transaction, including all employees who participated in decisions on whether to proceed with the Transaction or the price of the Transaction, shall do the following, and document in writing its work with respect to each:

- a. Read and understand the Valuation Report;
- b. Identify and question the valuation report's underlying assumptions;
- c. Make reasonable inquiry as to whether the information in the Valuation Report is materially consistent with information in Alpha's possession;
- d. Analyze whether the Valuation Report's conclusions are consistent with the data and analysis; and
- e. Analyze whether the Valuation Report is internally consistent in material aspects.

2. Alpha shall document in writing the following: (a) the identities of its employees who were primarily responsible for the proposed Transaction, including all employees who participated in decisions on whether to proceed with the Transaction or the price of the Transaction; (b) all material points on which such employee disagreed and why; and (c) whether all such employees concluded or expressed the belief prior to Alpha's approval of the Transaction that the Valuation Report's conclusions were inconsistent with the data and analysis therein or that the Valuation Report was internally inconsistent in material aspects.

3. If the employees who were primarily responsible for the Transaction,

including all employees who participated in decisions on whether to proceed with the Transaction or the price of the Transaction, believe that the Valuation Report's conclusions are not consistent with the data and analysis or that the Valuation Report is internally inconsistent in material respects, Alpha shall not proceed with the Transaction.

4. Alpha shall independently determine whether a Fairness Opinion is required and, if so, shall not proceed without one.

I. Preservation of Documents. In connection with any Transaction approved by Alpha, Alpha will create a Transaction folder and preserve for at least six (6) years the following:

1. The full name, business address, business telephone number and email address at the time of Alpha's consideration of the Transaction of each employee who was primarily responsible for the Transaction, including any employee who participated in decisions on whether to proceed with the Transaction or the price of the Transaction, and any other Alpha employee who made any material decision(s) on behalf of Alpha in connection with the Transaction;

2. All relevant notes and records created by Alpha in connection with its consideration of the Transaction, including all documentation required by this Consent Order and Judgment;

3. The vote (yes or no) of each employee of Alpha who voted on the proposed transaction and a signed certification by each voting employee, in his or her representative capacity, and all other Alpha employees who made any material decision(s) on behalf of Alpha in connection with the proposed Transaction that they have read the valuation report, identified its underlying assumptions, and considered the reasonableness of the valuation report's assumptions and conclusions;

4. All relevant documents Alpha and the employees identified in paragraph (I)(1) above relied on in making the decisions;

5. All relevant electronic or other written communications Alpha and the employees identified in paragraph (I)(1) above had with service providers (including any valuation advisor), the plan sponsor, any non-ESOP counterparties, and any advisors retained by the plan sponsor or non-ESOP counterparties;

J. Debt and Fair Market Value. The principal amount of the debt financing the Transaction, irrespective of the interest rate, cannot exceed the plan sponsor's securities' fair market value. Accordingly, Alpha shall not cause an ESOP to engage in a leveraged stock purchase Transaction in which the principal amount of the debt financing the Transaction exceeds the fair market value of the plan sponsor's securities acquired with that debt, irrespective of the interest rate or other terms of the debt used to finance the Transaction.

K. Control. If Alpha approves a Transaction in which the ESOP cedes any degree of control to which it would otherwise be entitled based on its ownership interest, including but not limited to the unencumbered ability to vote its shares (for example, by electing members of the board of directors), Alpha must document all consideration received in exchange for such limitation on the ESOP's control (or how the limitation on control is otherwise reflected in the purchase price) and why it is fair to the ESOP. If Alpha approves a Transaction in which the ESOP pays a control premium, Alpha must document why it believes that the ESOP is obtaining voting control and control in fact and identify all limitations on such control as well as the specific amount of consideration the ESOP received for such limitation(s).

L. Consideration of Claw-Back. In evaluating a proposed Transaction, Alpha

shall consider whether it is appropriate to request a claw-back arrangement or other purchase price adjustment(s) to protect the ESOP against the possibility of adverse consequences in the event of significant corporate events or changed circumstances. Alpha shall document in writing its consideration of the appropriateness of a claw-back or other purchase price adjustment(s).

M. Other Professionals. Alpha may, consistent with its fiduciary responsibilities under ERISA, employ, or delegate fiduciary authority to qualified professional service providers to aid Alpha in the exercise of its powers, duties, and responsibilities in the Transaction as long as it is prudent to do so.

EXHIBIT A
**AGREEMENT CONCERNING FIDUCIARY ENGAGEMENTS AND PROCESS
REQUIREMENTS FOR EMPLOYER STOCK TRANSACTIONS**

The Secretary of the United States Department of Labor (the “Secretary”) and Lubbock National Bank (the “Trustee”), by and through their attorneys, have agreed that the policies and procedures described below apply whenever the Trustee serves as a trustee or other fiduciary of any employee stock ownership plan subject to Title I of ERISA (“ESOP”) in connection with transactions in which the ESOP is purchasing or selling, is contemplating purchasing or selling, or receives an offer to purchase or sell, employer securities that are not publicly traded.

A. *Selection and Use of Valuation Advisor—General.* In all transactions involving the purchase or sale of employer securities that are not publicly traded, the Trustee will hire a qualified valuation advisor, and will do the following:

1. prudently investigate the valuation advisor’s qualifications;
2. take reasonable steps to determine that the valuation advisor receives complete, accurate and current information necessary to value the employer securities; and
3. prudently determine that its reliance on the valuation advisor’s advice is reasonable before entering into any transaction in reliance on the advice.

B. *Selection of Valuation Advisor—Conflicts of Interest.* The Trustee will not use a valuation advisor for a transaction that has previously performed work—including but not limited to a “preliminary valuation”—for or on behalf of the ESOP sponsor (as distinguished from the ESOP), any counterparty to the ESOP involved in the transaction, or any other entity that is structuring the transaction (such as an investment bank) for any party other than the ESOP or its trustee. The Trustee will not use a valuation advisor for a transaction that has a familial or

corporate relationship (such as a parent-subsiary relationship) to any of the aforementioned persons or entities. The Trustee will obtain written confirmation from the valuation advisor selected that none of the above-referenced relations exist.

C. *Selection of Valuation Advisor—Process.* In selecting a valuation advisor for a transaction involving the purchase or sale of employer securities, the Trustee will prepare a written analysis addressing the following topics:

1. The reason for selecting the particular valuation advisor;
2. A list of all the valuation advisors that the Trustee considered;
3. A discussion of the qualifications of the valuation advisors that the Trustee considered;
4. A list of references checked and discussion of the references' views on the valuation advisors;
5. Whether the valuation advisor was the subject of prior criminal or civil proceedings; and
6. A full explanation of the bases for concluding that the Trustee's selection of the valuation advisor was prudent.

If the Trustee selects a valuation advisor from a roster of valuation advisors that it has previously used, the Trustee need not undertake anew the analysis outlined above if the following conditions are satisfied: (a) the Trustee previously performed the analysis in connection with a prior engagement of the valuation advisor; (b) the previous analysis was completed within the 15 month period immediately preceding the valuation advisor's selection for a specific transaction; (c) the Trustee documents in writing that it previously performed the analysis, the date(s) on which the Trustee performed the analysis, and the results of the analysis;

and (d) the valuation advisor certifies that the information it previously provided pursuant to item (5) above is still accurate.

D. *Oversight of Valuation Advisor—Required Analysis.* In connection with any purchase or sale of employer securities that are not publicly traded, the Trustee will request that the valuation advisor document the following items in its valuation report¹, and if the valuation advisor does not so document properly, the Trustee will prepare supplemental documentation of the following items to the extent they were not documented by the valuation advisor:

1. Identify in writing the individuals responsible for providing any projections reflected in the valuation report, and as to those individuals, conduct reasonable inquiry as to: (a) whether those individuals have or reasonably may be determined to have any conflicts of interest in regard to the ESOP (including but not limited to any interest in the purchase or sale of the employer securities being considered); (b) whether those individuals serve as agents or employees of persons with such conflicts, and the precise nature of any such conflicts; and (c) record in writing how the Trustee and the valuation advisor considered such conflicts in determining the value of employer securities;

2. Document in writing an opinion as to the reasonableness of any projections considered in connection with the proposed transaction and explain in writing why and to what extent the projections are or are not reasonable. At a minimum, the analysis shall consider how the projections compare to, and whether they are reasonable in light of, the company's five-year historical averages and/or medians and the five-year historical averages and/or medians of a group of comparable public companies (if any exist) for the following

¹ As used herein, "valuation report" means the final valuation report as opposed to previous versions or drafts.

metrics, unless five-year data are unavailable (in which case, the analyses shall use averages extending as far back as possible):

- a. Return on assets
- b. Return on equity
- c. EBIT margins
- d. EBITDA margins
- e. Ratio of capital expenditures to sales
- f. Revenue growth rate
- g. Ratio of free cash flows (of the enterprise) to sales

3. If it is determined that any of these metrics should be disregarded in assessing the reasonableness of the projections, document in writing both the calculations of the metric (unless calculation is impossible) and the basis for the conclusion that the metric should be disregarded. The use of additional metrics to evaluate the reasonableness of projections other than those listed in section D(2)(a)-(g) above is not precluded as long as the appropriateness of those metrics is documented in writing. If comparable companies are used for any part of a valuation—whether as part of a Guideline Public Company method, to gauge the reasonableness of projections, or for any other purpose—explain in writing the bases for concluding that the comparable companies are actually comparable to the company being valued, including on the basis of size, customer concentration (if such information is publicly available), and volatility of earnings. If a Guideline Public Company analysis is performed, explain in writing any discounts applied to the multiples selected, and if no discount is applied to any given multiple, explain in significant detail the reasons.

4. If the company is projected to meet or exceed its historical performance or the historical performance of the group of comparable public companies on any of the metrics described in paragraph D(2) above, document in writing all material assumptions supporting such projections and why those assumptions are reasonable.

5. To the extent that the Trustee or its valuation advisor considers any of the projections provided by the ESOP sponsor to be unreasonable, document in writing any adjustments made to the projections.

6. If adjustments are applied to the company's historical or projected financial metrics in a valuation analysis, determine and explain in writing why such adjustments are reasonable.

7. If greater weight is assigned to some valuation methods than to others, explain in writing the weighting assigned to each valuation method and the basis for the weightings assigned.

8. Consider, as appropriate, how the plan document provisions regarding stock distributions, the duration of the ESOP loan, and the age and tenure of the ESOP participants, may affect the ESOP sponsor's prospective repurchase obligation, the prudence of the stock purchase, or the fair market value of the stock.

9. Analyze and document in writing (a) whether the ESOP sponsor will be able to service the debt taken on in connection with the transaction (including the ability to service the debt in the event that the ESOP sponsor fails to meet the projections relied upon in valuing the stock); (b) whether the transaction is fair to the ESOP from a financial point of view; (c) whether the transaction is fair to the ESOP relative to all the other parties to the proposed transaction; (d) whether the terms of the financing of the proposed transaction are market-based,

commercially reasonable, and in the best interests of the ESOP; and (e) the financial impact of the proposed transaction on the ESOP sponsor, and document in writing the factors considered in such analysis and conclusions drawn therefrom.

E. *Financial Statements.*

1. The Trustee will request that the company provide the Trustee and its valuation advisor with audited unqualified financial statements prepared by a CPA for the preceding five fiscal years, unless financial statements extending back five years are unavailable (in which case, the Trustee will request audited unqualified financial statement extending as far back as possible).

2. If the ESOP Sponsor provides to the Trustee or its valuation advisor unaudited or qualified financial statements prepared by a CPA for any of the preceding five fiscal years (including interim financial statements that update or supplement the last available audited statements), the Trustee will determine whether it is prudent to rely on the unaudited or qualified financial statements notwithstanding the risk posed by using unaudited or qualified financial statements.

3. If the Trustee proceeds with the transaction notwithstanding the lack of audited unqualified financial statements prepared by a CPA (including interim financial statements that update or supplement the last available audited statements), the Trustee will document the bases for the Trustee's reasonable belief that it is prudent to rely on the financial statements, and explain in writing how it accounted for any risk posed by using qualified or unaudited statements. If the Trustee does not believe that it can reasonably conclude that it would be prudent to rely on the financial statements used in the valuation report, the Trustee will not

proceed with the transaction. While the Trustee need not audit the financial statements itself, it must carefully consider the reliability of those statements in the manner set forth herein.

F. *Fiduciary Review Process—General.* In connection with any transaction involving the purchase or sale of employer securities that are not publicly traded, the Trustee agrees to do the following:

1. Take reasonable steps necessary to determine the prudence of relying on the ESOP sponsor's financial statements provided to the valuation advisor, as set out more fully in paragraph E above;

2. Critically assess the reasonableness of any projections (particularly management projections), and if the valuation report does not document in writing the reasonableness of such projections to the Trustee's satisfaction, the Trustee will prepare supplemental documentation explaining why and to what extent the projections are or are not reasonable;

3. Document in writing its bases for concluding that the information supplied to the valuation advisor, whether directly from the ESOP sponsor or otherwise, was current, complete, and accurate.

G. *Fiduciary Review Process—Documentation of Valuation Analysis.* The Trustee will document in writing its analysis of any final valuation report relating to a transaction involving the purchase or sale of employer securities. The Trustee's documentation will specifically address each of the following topics and will include the Trustee's conclusions regarding the final valuation report's treatment of each topic and explain in writing the bases for its conclusions:

1. Marketability discounts;
2. Minority interests and control premiums;
3. Projections of the company's future economic performance and the reasonableness or unreasonableness of such projections, including, if applicable, the bases for assuming that the company's future financial performance will meet or exceed historical performance or the expected performance of the relevant industry generally;
4. Analysis of the company's strengths and weaknesses, which may include, as appropriate, personnel, plant and equipment, capacity, research and development, marketing strategy, business planning, financial condition, and any other factors that reasonably could be expected to affect future performance;
5. Specific discount rates chosen, including whether any Weighted Average Cost of Capital used by the valuation advisor was based on the company's actual capital structure or that of the relevant industry and why the chosen capital structure weighting was reasonable;
6. All adjustments to the company's historical financial statements;
7. Consistency of the general economic and industry-specific narrative in the valuation report with the quantitative aspects of the valuation report;
8. Reliability and timeliness of the historical financial data considered, including a discussion of whether the financial statements used by the valuation advisor were the subject of unqualified audit opinions, and if not, why it would nevertheless be prudent to rely on them;
9. The comparability of the companies chosen as part of any analysis based on comparable companies;

10. Material assumptions underlying the valuation report and any testing and analyses of these assumptions;

11. Where the valuation report made choices between averages, medians, and outliers (e.g., in determining the multiple(s) used under the “guideline company method” of valuation), the reasons for the choices;

12. Treatment of corporate debt;

13. Whether the methodologies employed were standard and accepted methodologies and the bases for any departures from standard and accepted methodologies;

14. The ESOP sponsor’s ability to service any debt or liabilities to be taken on in connection with the proposed transaction;

15. The proposed transaction’s reasonably foreseeable risks as of the date of the transaction;

16. Any other material considerations or variables that could have a significant effect on the price of the employer securities.

H. *Fiduciary Review Process—Reliance on Valuation Report.*

1. The Trustee, through its personnel who are responsible for the proposed transaction, will do the following, and document in writing its work with respect to each:

a. Read and understand the valuation report;

b. Identify and question the valuation report’s underlying assumptions;

c. Make reasonable inquiry as to whether the information in the valuation report is materially consistent with information in the Trustee’s possession;

d. Analyze whether the valuation report's conclusions are consistent with the data and analyses; and

e. Analyze whether the valuation report is internally consistent in material aspects.

2. The Trustee will document in writing the following: (a) the identities of its personnel who were primarily responsible for the proposed transaction, including any person who participated in decisions on whether to proceed with the transaction or the price of the transaction; (b) any material points as to which such personnel disagreed and why; and (c) whether any such personnel concluded or expressed the belief prior to the Trustee's approval of the transaction that the valuation report's conclusions were inconsistent with the data and analysis therein or that the valuation report was internally inconsistent in material aspects.

3. If the individuals responsible for performing the analysis believe that the valuation report's conclusions are not consistent with the data and analysis or that the valuation report is internally inconsistent in material respects, the Trustee will not proceed with the transaction.

I. *Preservation of Documents.* In connection with any transaction completed by the Trustee through its committee or otherwise, the Trustee will create and preserve, for at least six (6) years, notes and records that document in writing the following:

1. The full name, business address, telephone number and email address at the time of the Trustee's consideration of the proposed transaction of each member of the Trustee's Fiduciary Committee (whether or not he or she voted on the transaction) and any other Trustee personnel who made any material decision(s) on behalf of the Trustee in connection with the proposed transaction, including any of the persons identified pursuant to H(2) above;

2. The vote (yes or no) of each member of the Trustee's Fiduciary Committee who voted on the proposed transaction and a signed certification by each of the voting committee members and any other Trustee personnel who made any material decision(s) on behalf of the Trustee in connection with the proposed transaction that they have read the valuation report, identified its underlying assumptions, and considered the reasonableness of the valuation report's assumptions and conclusions;

3. All notes and records created by the Trustee in connection with its consideration of the proposed transaction, including all documentation required by this Agreement;

4. All documents the Trustee and the persons identified in 1 above relied on in making their decisions;

5. All electronic or other written communications the Trustee and the persons identified in 1 above had with service providers (including any valuation advisor), the ESOP sponsor, any non-ESOP counterparties, and any advisors retained by the ESOP sponsor or non-ESOP counterparties.

J. *Fair Market Value.* The Trustee will not cause an ESOP to purchase employer securities for more than their fair market value or sell employer securities for less than their fair market value. The DOL states that the principal amount of the debt financing the transaction, irrespective of the interest rate, cannot exceed the securities' fair market value. Accordingly, the Trustee will not cause an ESOP to engage in a leveraged stock purchase transaction in which the principal amount of the debt financing the transaction exceeds the fair market value of the stock acquired with that debt, irrespective of the interest rate or other terms of the debt used to finance the transaction.

K. *Consideration of Claw-Back.* In evaluating proposed stock transactions, the Trustee will consider whether it is appropriate to request a claw-back arrangement or other purchase price adjustment(s) to protect the ESOP against the possibility of adverse consequences in the event of significant corporate events or changed circumstances. The Trustee will document in writing its consideration of the appropriateness of a claw-back or other purchase price adjustment(s).

L. *Other Professionals.* The Trustee may, consistent with its fiduciary responsibilities under ERISA, employ, or delegate fiduciary authority to, qualified professionals to aid the Trustee in the exercise of its powers, duties, and responsibilities as long as it is prudent to do so.

M. This Agreement is not intended to specify all of the Trustee's obligations as an ERISA fiduciary with respect to the purchase or sale of employer stock under ERISA, and in no way supersedes any of the Trustee's obligations under ERISA or its implementing regulations.

EXHIBIT B

**AGREEMENT CONCERNING PROCESS REQUIREMENTS FOR
EMPLOYEE STOCK OWNERSHIP PLAN TRANSACTIONS**

The Farmers National Bank of Danville d/b/a WealthSouth (“Farmers”), a subsidiary of Boyle Bancorp, Inc. (“Boyle”), agrees to apply the following policies and procedures whenever Boyle, Farmers or any affiliated entities (collectively referred to as “FNB”) serves as trustee or other fiduciary of an employee stock ownership plan (“ESOP”) subject to Title I of the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq. (“ERISA”) in connection with a transaction involving the direct or indirect purchase, sale, or redemption of employer securities that are not publicly traded (“Transaction”).

A. Selection and Use of valuation advisor - General. FNB shall do the following:

1. Prudently investigate the valuation advisor's qualifications;
2. Take reasonable steps to determine that the valuation advisor receives complete, accurate, and current information necessary to value the plan sponsor's securities;
3. Contemporaneously document the steps FNB took – including who at FNB took those steps – to determine that the valuation advisor received complete, accurate, and current information and to ensure FNB understood the advice of the valuation advisor;
and
4. Prudently determine that its reliance on the valuation advisor's advice is reasonable before entering into any Transaction in reliance on the advice.

B. Selection of valuation advisor - Conflicts of Interest. FNB shall not use a valuation advisor for a Transaction that has previously performed work for any party to the Transaction other than the ESOP or its trustee, including but not limited to a

"preliminary valuation" for or on behalf of the plan sponsor (as distinguished from the ESOP), a committee of employees of the plan sponsor, any counterparty to the ESOP or plan sponsor involved in the Transaction, or any other entity that is structuring the Transaction (such as an investment bank). FNB shall not use a valuation advisor for a Transaction that has a familial or corporate relationship (such as a parent-subsidary relationship) to any of the aforementioned persons or entities. FNB shall obtain written confirmation from the valuation advisor selected that none of the above-referenced relations exist.

C. Selection of valuation advisor - Process.

1. In selecting a valuation advisor for a Transaction, FNB shall prepare a written analysis addressing the following topics:
 - a. The reason for selecting the particular valuation advisor;
 - b. A list of all the valuation advisors that FNB considered;
 - c. A discussion of the qualifications of the valuation advisors that FNB considered;
 - d. A list of at least three references checked and discussion of the references' views on the valuation advisor;
 - e. Whether the valuation advisor was the subject of prior criminal, civil, or regulatory proceedings/investigations related to its previous valuation work and the outcome of such proceedings or investigations; and
 - f. A full explanation of the basis for concluding that FNB's selection of the valuation advisor was prudent.
2. If FNB selects a valuation advisor from a roster of valuation advisors that it has previously used, FNB need not undertake anew the analysis outlined

above if the following conditions are satisfied:

- a. FNB previously performed the analysis described above in connection with a prior engagement of the valuation advisor;
- b. The previous analysis was completed within the prior calendar year immediately preceding FNB's selection of the valuation advisor;
- c. FNB documents in writing that it previously performed the analysis, the date(s) on which FNB performed the analysis and the results of the analysis;
- d. FNB's files contain the valuation advisor's confirmation that the information it previously provided pursuant to item (C)(1)(e) above is still accurate.

D. Oversight of valuation advisor – Required Analysis. Prior to approving a Transaction, FNB shall request that the valuation advisor document the following items in its Valuation Report¹ and, if the valuation advisor does not so document, FNB shall prepare or require the preparation of supplemental documentation of the following items to the extent they were not documented by the valuation advisor:

1. Use of Projections: Conduct reasonable inquiry into projections given by individual(s) responsible for providing any projections reflected in the Valuation Report, such reasonable inquiry shall include:
 - a. Whether those individuals have or reasonably may be determined to have any conflicts of interest in regard to the ESOP including but not limited to any interest in the purchase or sale of the plan sponsor's stock being considered;
 - b. Whether those individuals serve as agents or employees of persons with such conflicts, and the precise nature of any such conflicts; and

¹ All references to the term "Valuation Report" refer to the valuation advisor's report on which FNB relies prior to the Transaction in deciding whether to approve or reject the Transaction.

c. How FNB and the valuation advisor considered such conflicts in determining the value of the plan sponsor's securities.

2. An opinion as to the reasonableness of any projections considered in connection with the Transaction that explains in writing why and to what extent the projections are or are not reasonable. At a minimum, the analysis shall consider how the projections compare to, and whether they are reasonable in light of, the plan sponsor's five-year historical averages and/or medians and the five-year historical averages and/or medians of a group of comparable public companies (if any exist) for the following metrics, unless five-year data are unavailable (in which case, the analysis shall use averages extending as far back as possible):

- a. Return on assets;
- b. Return on equity;
- c. EBIT and EBITDA margins;
- d. Ratio of capital expenditures to sales;
- e. Revenue growth rate; and
- f. Ratio of free cash flows (of the enterprise) to sales.

3. If it is determined that any of these metrics should be disregarded in assessing the reasonableness of the projections, document in writing both the calculations of the metric (unless calculation is impossible) and the basis for the conclusion that the metric should be disregarded. The use of additional metrics to evaluate the reasonableness of projections other than those listed in section (D) (2) (a)-(f) above is not precluded as long as the appropriateness of those metrics is documented in writing.

4. If comparable companies are used for any part of a valuation -

whether as part of a guideline company method of valuation or any other method of valuation, to gauge the reasonableness of projections, or for any other purpose, explain in writing the basis for concluding that the comparable companies are actually comparable to the plan sponsor being valued, including on the basis of size, customer concentration (if such information is publicly available), and volatility of earnings. If a guideline company analysis is performed, explain in writing any discounts applied to the multiples selected, and if no discount is applied to any given multiple, explain in detail the reasons.

5. If the plan sponsor is projected to meet or exceed its historical performance or the historical performance of the group of comparable public companies on any of the metrics described in paragraph (D) (2) above, document in writing all material assumptions supporting such projections and why those assumptions are reasonable.

6. To the extent that FNB or its valuation advisor considers any of the projections provided by the plan sponsor to be unreasonable, document in writing all adjustments made to the projections.

7. If adjustments are applied to the plan sponsor's historical or projected financial metrics in a valuation analysis, determine and explain in writing why such adjustments are reasonable.

8. Describe the risks facing the plan sponsor that could cause the plan sponsor's financial performance to fall materially below the projections relied upon by the valuation advisor.

9. If greater weight is assigned to some valuation methods than to others, explain in writing the weighting assigned to each valuation method and the basis for the weightings assigned.

10. Consider, as appropriate, how the ESOP document provisions regarding stock distributions, the duration of the ESOP loan, and the age and tenure of the ESOP participants, may affect the plan sponsor's prospective repurchase obligation, the prudence of the Transaction or the fair market value of the stock.

11. Analyze and document in writing:

a. Whether the plan sponsor will be able to service the debt taken on in connection with the Transaction (including the ability to service the debt in the event that the plan sponsor fails to meet the projections relied upon in valuing the stock);

b. Whether the Transaction is fair to the ESOP participants from a financial point of view;

c. Whether the Transaction is fair to the ESOP participants relative to all the other parties to the Transaction;

d. Whether the terms of the financing of the Transaction are market-based, commercially reasonable, and in the best interests of the ESOP participants;

e. Whether both seller financing and financial institution financing was considered and whether the loans sought from financial institutions were within the amounts the financial institution was willing to loan;

f. Whether the terms of any loan the ESOP receives in connection with the Transaction are as favorable as the terms of any loans between the plan sponsor and any executive of the plan sponsor made within the two years preceding the Transaction; and

g. The financial impact of the Transaction on the plan sponsor, and document in writing the factors considered in such analysis and conclusions drawn therefrom.

12. Explain any material differences between the present valuation and the most recent prior valuation of the plan sponsor performed within the past 24 months by any valuation firm for any purpose (if any exist). For valuations obtained exclusively by the sellers in connection with the Transaction within the past 12 months, FNB should at a minimum obtain information on when the valuation was performed and who prepared the valuation.

E. Financial Statements.

1. FNB shall request that the plan sponsor provide FNB and its valuation advisor with unqualified audited financial statements for the preceding five fiscal years, unless unqualified audited financial statements extending back five years are unavailable (in which case, FNB shall request unqualified audited financial statements extending as far back as possible).

2. If the plan sponsor provides to FNB or its valuation advisor unaudited or qualified audited financial statements for any of the preceding five fiscal years (including interim financial statements that update or supplement the last available unqualified audited financial statement), FNB shall determine whether it is prudent to rely on these financial statements notwithstanding the risk posed by using unaudited or qualified audited financial statements.

3. If FNB proceeds with the Transaction notwithstanding the lack of unqualified audited financial statements (including interim financial statements that update or supplement the last available unqualified audited financial statement), FNB shall document the basis for FNB's belief that it is prudent to rely on the financial statements, and explain in writing how FNB accounted for any risk posed by using financial statements other than unqualified audited financial statements. If FNB does not believe that it can reasonably

conclude that it would be prudent to rely on the financial statements used in the Valuation Report, FNB shall not proceed with the Transaction. While FNB need not audit the financial statements themselves, it must carefully consider the reliability of those statements in the manner set forth herein.

4. FNB may approve a Transaction notwithstanding the lack of unqualified audited financial statements (including interim financial statements that update or supplement the last unqualified audited financial statement) only if the stock purchase agreement includes a provision requiring the selling or purchasing shareholder(s) who is(are) an officer, manager, or member of the board of directors of the plan sponsor to compensate the ESOP for any losses or other harms caused by or related to financial statements that did not accurately reflect the plan sponsor's financial condition.

F. Fiduciary Review Process - General. In connection with any Transaction, FNB agrees to do the following:

1. Ensure that sufficient time is allowed to fully, completely, and accurately review and analyze the contemplated Transaction prior to agreeing to a redemption transaction or a closing date for the Transaction;
2. Take reasonable steps necessary to determine the prudence of relying on the plan sponsor's financial statements provided to the valuation advisor, as set out more fully in paragraph E above;
3. Critically assess the reasonableness of all projections (particularly management projections), and if the Valuation Report does not document in writing the

reasonableness of such projections to FNB's satisfaction, FNB shall prepare supplemental documentation explaining why and to what extent the projections are or are not reasonable;

4. If FNB believes the projections are unreasonable, FNB shall ask the valuation advisor to account for the unreasonable projections in its valuation, request new and reasonable projections from management, or reject the Transaction. FNB must document the basis for its decision.

5. Ensure that the information the valuation advisor obtains from the plan sponsor and purchasing or selling shareholder(s) includes the following, to the extent it exists:

a. All prior attempts by the purchasing or selling shareholder(s) to purchase or sell their stock in the plan sponsor within the proceeding two (2) years;

b. All prior defaults within the past five years by the plan sponsor under any lending or financing agreement;

c. All management letters provided to the plan sponsor by its accountants within the past five years; and

d. All information related to a valuation of the plan sponsor provided to the Internal Revenue Service within the past five years.

G. Fiduciary Review Process - Documentation of Valuation Analysis.

FNB shall document in writing its analysis of the Valuation Report relating to a Transaction. FNB's documentation shall specifically address each of the following topics and shall include FNB's conclusions regarding the Valuation Report's treatment of each topic and explain in writing the basis for its conclusions:

1. Marketability discounts;

2. Minority interests and control premiums;
3. Projections of the plan sponsor's future financial performance and the reasonableness or unreasonableness of such projections, including, if applicable, the basis for assuming that the plan sponsor's future financial performance will meet or exceed historical performance or the expected performance of the relevant industry generally;
4. Analysis of the plan sponsor's strengths and weaknesses, which may include, as appropriate, personnel, plant and equipment, capacity, research and development, marketing strategy, business planning, financial condition, and any other factors that reasonably could be expected to affect future performance;
5. Specific discount rates chosen, including whether any weighted average cost of capital used by the valuation advisor was based on the plan sponsor's actual capital structure or that of the relevant industry and why the chosen capital structure weighting was reasonable;
6. All adjustments to the plan sponsor's historical financial statements;
7. Consistency of the general economic and industry-specific narrative in the Valuation Report with the quantitative aspects of the Valuation Report;
8. Reliability and timeliness of the historical financial data considered, including a discussion of whether the financial statements used by the valuation advisor were the subject of unqualified audit opinions, and if not, why it would nevertheless be prudent to rely on them;
9. The comparability of the companies chosen as part of any analysis based on the plan sponsor's comparable companies;
10. Material assumptions underlying the Valuation Report and all testing and

analysis of these assumptions;

11. Where the Valuation Report made choices between averages, medians, and outliers (e.g., in determining the multiple(s) used under the guideline company method of valuation), the reasons for the choices;

12. Treatment of corporate debt;

13. Whether the methodologies employed were standard and accepted methodologies and the basis for any departures from standard and accepted methodologies;

14. The plan sponsor's ability to service all debt or liabilities to be taken on in connection with the Transaction, including but not limited to, its ability to meet any repurchase obligations and the state of its solvency post-Transaction;

15. The Transaction's reasonably foreseeable risks as of the date of the Transaction; and

16. All other material considerations or variables that could have a significant effect on the price of the plan sponsor's securities.

H. Fiduciary Review Process - Reliance on Valuation Report.

1. FNB, through its employees who are primarily responsible for the proposed Transaction, including all employees who participated in decisions on whether to proceed with the Transaction or the price of the Transaction, shall do the following, and document in writing its work with respect to each:

a. Read and understand the Valuation Report;

b. Identify and question the valuation report's underlying assumptions;

c. Make reasonable inquiry as to whether the information in the

Valuation Report is materially consistent with information in FNB's possession;

- d. Analyze whether the Valuation Report's conclusions are consistent with the data and analysis; and
- e. Analyze whether the Valuation Report is internally consistent in material aspects.

2. FNB shall document in writing the following: (a) how it made its determination to close the Transaction, including the internal process it normally uses and whether this process was followed for this transaction; (b) the identities of its employees who were primarily responsible for the proposed Transaction, including all employees who participated in decisions on whether to proceed with the Transaction or the price of the Transaction; (c) all material points on which such employee disagreed and why; and (d) whether all such employees concluded or expressed the belief prior to FNB's approval of the Transaction that the Valuation Report's conclusions were inconsistent with the data and analysis therein or that the Valuation Report was internally inconsistent in material aspects.

3. If the employees who were primarily responsible for the Transaction, including all employees who participated in decisions on whether to proceed with the Transaction or the price of the Transaction, believe that the Valuation Report's conclusions are not consistent with the data and analysis or that the Valuation Report is internally inconsistent in material respects, FNB shall not proceed with the Transaction.

4. FNB shall independently determine whether a Fairness Opinion is required and, if so, shall not proceed without one.

I. Preservation of Documents. In connection with any Transaction approved by FNB, FNB will create a Transaction folder and preserve for at least six (6) years the

following:

1. The full name, business address, business telephone number and email address at the time of FNB's consideration of the Transaction of each employee who was primarily responsible for the Transaction, including any employee who participated in decisions on whether to proceed with the Transaction or the price of the Transaction, and any other FNB employee who made any material decision(s) on behalf of FNB in connection with the Transaction;

2. All relevant notes and records created by FNB in connection with its consideration of the Transaction, including all documentation required by this Consent Order and Judgment;

3. The vote (yes or no) of each employee of FNB who voted on the proposed Transaction and a signed certification by each voting employee, in his or her representative capacity, and all other FNB employees who made any material decision(s) on behalf of FNB in connection with the proposed Transaction that they have read the valuation report, identified its underlying assumptions, and considered the reasonableness of the valuation report's assumptions and conclusions;

4. All relevant documents FNB and the employees identified in paragraph (I)(1) above relied on in making the decisions;

5. All relevant electronic or other written communications FNB and the employees identified in paragraph (I)(1) above had with service providers (including any valuation advisor), the plan sponsor, any non-ESOP counterparties, and any advisors retained by the plan sponsor or non-ESOP counterparties;

J. Debt and Fair Market Value. The principal amount of the debt financing the

Transaction, irrespective of the interest rate, cannot exceed the plan sponsor's securities' fair market value. Accordingly, FNB shall not cause an ESOP to engage in a leveraged stock purchase Transaction in which the principal amount of the debt financing the Transaction exceeds the fair market value of the plan sponsor's securities acquired with that debt, irrespective of the interest rate or other terms of the debt used to finance the Transaction.

K. Control. This section only applies when the ESOP intends to buy a controlling interest in the company whose stock it intends to acquire. To the extent permissible under state and federal law, FNB will only approve a Transaction where the ESOP pays for a controlling interest if, in fact, the ESOP obtains the right to control the company whose stock it acquires. The right to control the company includes all of the unencumbered rights that a shareholder would have that acquired the shares to be purchased by the ESOP, and the right to control the company's direction, including, but not limited to: the unencumbered ability to vote its shares; the ability to appoint and remove the company's officers; the ability to appoint and remove the majority of the members of the company's board of directors; the ability to set management compensation and perquisites; the ability to acquire, lease, or liquidate the company's assets; the ability to liquidate, dissolve, sell, or recapitalize the company; decision-making authority over mergers, acquisitions; and sales of company stock; authority to decide whether the company incurs significant debt or engages in debt refinancing; the ability to authorize or veto major capital expenditures; the ability to decide whether to sell or acquire Treasury shares and whether to declare and pay cash and/or stock dividends; the ability to determine whether to call warrants or other significant company obligations, and the ability to modify or amend the company's articles of incorporation or bylaws. If FNB is asked to consider a Transaction in which the ESOP does not acquire the

degree of control of the company commensurate with the ownership interest it is acquiring, or that restrictions are placed on the ESOP's ability to exercise its right to control the company, FNB will ensure that the purchase price paid by the ESOP will reflect the ESOP's lack of control. Accordingly, where the ESOP's rights of control are limited, restricted or substantially reduced, FNB will ensure that the valuation of the stock the ESOP is purchasing does not include a control premium, and includes an appropriate lack of control discount, to the extent that the ESOP's rights of control are diminished, and FNB will ensure that the purchase price paid by the ESOP is adjusted accordingly. If the ESOP is not acquiring control or its rights of control are limited, restricted or substantially reduced, FNB will ensure that the normalized earnings of the subject company do not include adjustments based on anticipated actions that only a controlling, unencumbered, shareholder can execute. In all transactions it approves, FNB will document its determination of whether and to what extent the ESOP has obtained the right to control the company and how and to what degree those rights may be limited, reduced or restricted, and document how that determination affects the valuation of the stock the ESOP is acquiring, the price the ESOP is paying for the stock, and why that price is fair to the ESOP in light of any limitations on the ESOP's control rights.

L. Consideration of Claw-Back. In evaluating a proposed Transaction, FNB shall consider whether it is appropriate to request a claw-back arrangement, limitation agreement (requiring shareholder to reprice the Transaction if the DOL finds it paid more than the fair market value), or other purchase price adjustment(s) to protect the ESOP against the possibility of adverse consequences in the event of significant corporate events or changed circumstances. FNB shall document in writing its consideration of the appropriateness of a claw-back or other purchase price adjustment(s).

M. Other Professionals. FNB may, consistent with its fiduciary responsibilities under ERISA, employ, or delegate fiduciary authority to qualified professional service providers to aid FNB in the exercise of its powers, duties, and responsibilities in the Transaction as long as it is prudent to do so.

N. Indemnification. FNB will not enter into any agreement providing that it will be indemnified by the ESOP or by an ESOP-owned company (irrespective of whether the ESOP owns some or all of the company's stock) against and from any damages, expense, liabilities, and losses resulting from claims of fiduciary breach and/or prohibited transactions related to the Transaction or that otherwise would be in violation of ERISA. Specifically, FNB will not agree to indemnification provisions by the ESOP or the ESOP-owned company that result in advancement of defense fees and expenses unless an entirely independent third-party determines that there has been no breach of fiduciary duty. Under those circumstances, a prudent arrangement must be in place that guarantees, through the posting of collateral or otherwise, a refund of the entirety of the advanced fees and costs should a fiduciary breach be determined by a court. Any appreciable settlement amount of claims of fiduciary breach and/or prohibited transaction, i.e. more than a nuisance settlement, must result in a full refund of any fees and expenses. Fees and expenses includes all liabilities incurred after a voluntary compliance letter is issued by the Department of Labor, plan participant, or plan fiduciary, or other measurable allegation of a violation.

O. This Agreement is not intended to specify all of the FNB's obligations as an ERISA fiduciary with respect to the purchase or sale of employer stock under ERISA, and in no way supersedes any of the FNB's obligations under ERISA or its

implementing regulations.