

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

OFFICE OF FINANCIAL INSTITUTIONS
BATON ROUGE, LOUISIANA

Written Agreement by and among

FIRST TRUST CORPORATION
New Orleans, Louisiana

FEDERAL RESERVE BANK OF ATLANTA
Atlanta, Georgia

and

OFFICE OF FINANCIAL INSTITUTIONS
Baton Rouge, Louisiana

Docket No. 12-034-WA/RB-HC

WHEREAS, First Trust Corporation, New Orleans, Louisiana (“First Trust”), a registered bank holding company, owns and controls First Bank and Trust, New Orleans, Louisiana (the “Bank”), a state-chartered nonmember bank, and various nonbank subsidiaries;

WHEREAS, it is the common goal of First Trust, the Federal Reserve Bank of Atlanta (the “Reserve Bank”), and the Louisiana Office of Financial Institutions (the “LOFI”) to maintain the financial soundness of First Trust so that First Trust may serve as a source of strength to the Bank;

WHEREAS, First Trust, the Reserve Bank, and the LOFI have mutually agreed to enter into this Written Agreement (the “Agreement”); and

WHEREAS, on May 11, 2012, the board of directors of First Trust, at a duly constituted meeting, adopted a resolution authorizing and directing Joseph C. Canizaro, Chairman of the

Board, to enter into this Agreement on behalf of First Trust, and consenting to compliance with each and every provision of this Agreement by First Trust and its institution-affiliated parties, as defined in sections 3(u) and 8(b)(3) of the Federal Deposit Insurance Act, as amended (the “FDI Act”) (12 U.S.C. §§ 1813(u) and 1818(b)(3)).

NOW, THEREFORE, First Trust, the Reserve Bank, and the LOFI agree as follows:

Source of Strength

1. The board of directors of First Trust shall take appropriate steps to fully utilize First Trust’s financial and managerial resources, pursuant to section 38A of the FDI Act (12 U.S.C. § 1831o-1) and section 225.4(a) of Regulation Y of the Board of Governors of the Federal Reserve System (the “Board of Governors”) (12 C.F.R. § 225.4(a)), to serve as a source of strength to the Bank, including, but not limited to, taking steps to ensure that the Bank complies with the Consent Order entered into with the Federal Deposit Insurance Corporation and the LOFI on July 9, 2010, and any other supervisory action taken by the Bank’s federal or state regulator.

Dividends and Distributions

2. (a) First Trust shall not declare or pay any dividends without the prior written approval of the Reserve Bank, the Director of the Division of Banking Supervision and Regulation (the “Director”) of the Board of Governors, and the LOFI.

(b) First Trust shall not directly or indirectly take dividends or any other form of payment representing a reduction in capital from the Bank without the prior written approval of the Reserve Bank and the LOFI.

(c) First Trust shall not make any distributions of interest, principal, or other sums on subordinated debentures without the prior written approval of the Reserve Bank, the Director, and the LOFI.

(d) All requests for prior approval shall be received by the Reserve Bank and the LOFI at least 30 days prior to the proposed dividend declaration date and proposed distribution on subordinated debentures. All requests shall contain, at a minimum, current and projected information on First Trust's capital, earnings, and cash flow; the Bank's capital, asset quality, earnings, and allowance for loan and lease losses; and identification of the sources of funds for the proposed payment or distribution. For requests to declare or pay dividends, First Trust must also demonstrate that the requested declaration or payment of dividends is consistent with the Board of Governors' Policy Statement on the Payment of Cash Dividends by State Member Banks and Bank Holding Companies, dated November 14, 1985 (Federal Reserve Regulatory Service, 4-877 at page 4-323).

Debt and Stock Redemption

3. (a) First Trust and any nonbank subsidiary shall not, directly or indirectly, incur, increase, or guarantee any debt without the prior written approval of the Reserve Bank and the LOFI. All requests for prior written approval shall contain, but not be limited to, a statement regarding the purpose of the debt, the terms of the debt, and the planned source(s) for debt repayment, and an analysis of the cash flow resources available to meet such debt repayment.

(b) First Trust shall not, directly or indirectly, purchase or redeem any shares of its stock without the prior written approval of the Reserve Bank and the LOFI.

Capital Plan

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

(a) The consolidated organization's and the Bank's current and future capital requirements, including compliance with the Capital Adequacy Guidelines for Bank Holding Companies: Risk-Based Measure and Tier 1 Leverage Measure, Appendices A and D of Regulation Y of the Board of Governors (12 C.F.R. Part 225, App. A and D) and the applicable capital adequacy guidelines for the Bank issued by the Bank's federal regulator;

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

(c) the source and availability of additional funds necessary to fulfill the consolidated organization's and the Bank's future capital requirements on a timely basis;

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

(e) the requirements of section 38A of the FDI Act and section 225.4(a) of Regulation Y of the Board of Governors that First Trust serve as a source of strength to the Bank.

5. First Trust shall notify the Reserve Bank and the LOFI, in writing, no more than 45 days after the end of any quarter in which any of First Trust's capital ratios fall below the approved plan's minimum ratios. Together with the notification, First Trust shall submit an

acceptable written plan that details the steps that First Trust will take to increase First Trust's capital ratios to or above the approved plan's minimums.

Annual Audit

6. Within 60 days of this Agreement, First Trust shall submit to the Reserve Bank and the Louisiana Office of Financial Institutions (LOFI) an audit of First Trust's consolidated financial statements for fiscal year 2010 performed by an independent public accountant.

7. Within 150 days after First Trust's fiscal year-end, First Trust shall submit to the Reserve Bank and the LOFI an audit of First Trust's consolidated financial statements for fiscal year 2011 performed by an independent public accountant.

8. First Trust shall immediately take all necessary steps to ensure the Bank's compliance with all applicable laws and regulations including, but not limited to, section 112 of the Federal Deposit Insurance Corporation Improvement Act ("FDICIA") (12 U.S.C. § 1831(m)).

Compliance with Laws and Regulations

9. (a) In appointing any new director or senior executive officer, or changing the responsibilities of any senior executive officer so that the officer would assume a different senior executive officer position, First Trust shall comply with the notice provisions of section 32 of the FDI Act (12 U.S.C. § 1831i) and Subpart H of Regulation Y of the Board of Governors (12 C.F.R. §§ 225.71 *et seq.*).

(b) First Trust shall comply with the restrictions on indemnification and severance payments of section 18(k) of the FDI Act (12 U.S.C. § 1828(k)) and Part 359 of the Federal Deposit Insurance Corporation's regulations (12 C.F.R. Part 359).

Progress Reports

10. Within 45 days after the end of each calendar quarter following the date of this Agreement, the board of directors shall submit to the Reserve Bank and the LOFI written progress reports detailing the form and manner of all actions taken to secure compliance with the provisions of this Agreement and the results thereof, and a parent company only balance sheet, income statement, and, as applicable, report of changes in stockholders' equity.

Approval and Implementation of Plan

11. (a) First Trust shall submit a written capital plan that is acceptable to the Reserve Bank and the LOFI within the applicable time period set forth in paragraph 4 of this Agreement.

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

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

Communications

12. All communications regarding this Agreement shall be sent to:

- (a) Mr. Allen Stanley
Assistant Vice President
Federal Reserve Bank of Atlanta
1000 Peachtree Street, N.E.
Atlanta, Georgia 30309
- (b) Mr. John P. Ducrest
Commissioner
Louisiana Office of Financial Institutions
8660 United Plaza Boulevard
Second Floor
Baton Rouge, Louisiana 70809

- (c) Mr. Joseph C. Canizaro
Chairman of the Board
First Trust Corporation
909 Poydras Street
Suite 1700
New Orleans, Louisiana 70112

Miscellaneous

13. Notwithstanding any provision of this Agreement, the Reserve Bank and the LOFI may, in their sole discretion, grant written extensions of time to First Trust to comply with any provision of this Agreement.

14. The provisions of this Agreement shall be binding upon First Trust and its institution-affiliated parties, in their capacities as such, and their successors and assigns.

15. Each provision of this Agreement shall remain effective and enforceable until stayed, modified, terminated, or suspended in writing by the Reserve Bank and the LOFI.

16. The provisions of this Agreement shall not bar, estop, or otherwise prevent the Board of Governors, the Reserve Bank, the LOFI, or any other federal or state agency from taking any other action affecting First Trust, the Bank, any nonbank subsidiary of First Trust, or any of their current or former institution-affiliated parties and their successors and assigns.

17. Pursuant to section 50 of the FDI Act (12 U.S.C. § 1831aa), this Agreement is enforceable by the Board of Governors under section 8 of the FDI Act (12 U.S.C. § 1818).

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the 5th day of June, 2012.

FIRST TRUST CORPORATION

FEDERAL RESERVE BANK
OF ATLANTA

By: /s/ Joseph C. Canizaro
Joseph C. Canizaro
Chairman of the Board

By: /s/ Allen Stanley
Allen Stanley
Assistant Vice President

LOUISIANA OFFICE OF
FINANCIAL INSTITUTIONS

By: /s/ John P. Ducrest
John P. Ducrest
Commissioner