

AGREEMENT BY AND BETWEEN

Woodforest National Bank  
The Woodlands, Texas  
and  
The Comptroller of the Currency

Whereas, Woodforest National Bank, The Woodlands, Texas (“Bank”) and the Comptroller of the Currency of the United States of America (“Comptroller”) wish to protect the interests of the depositors, other customers, and shareholders of the Bank, and, toward that end, wish the Bank to operate safely and soundly and in accordance with all applicable laws, rules and regulations.

Whereas, from January 1, 2005 until the execution of this Agreement, the Bank maintained an overdraft protection program known as “PrivilegePay,” and the Bank and the Comptroller wish to remediate possible harm suffered by consumers as a result of the operation of PrivilegePay.

Whereas, in consideration of the above premises, it is agreed, between the Bank, by and through its duly elected and acting Board of Directors (“Board”), and the Comptroller, through his authorized representative, that the Bank shall operate at all times in compliance with the articles of this Agreement.

ARTICLE I

JURISDICTION

(1) This Agreement shall be construed to be a “written agreement entered into with the agency” within the meaning of 12 U.S.C. § 1818(b)(1).

(2) This Agreement shall be construed to be a “written agreement between such depository institution and such agency” within the meaning of 12 U.S.C.

§ 1818(e)(1) and 12 U.S.C. § 1818(i)(2).

(3) This Agreement shall be construed to be a “formal written agreement” within the meaning of 12 C.F.R. § 5.51(c)(6)(ii). See 12 U.S.C. § 1831i.

(4) This Agreement shall be construed to be a “written agreement” within the meaning of 12 U.S.C. § 1818(u)(1)(A).

(5) All reports or plans, which the Bank or Board has agreed to submit to the Assistant Deputy Comptroller pursuant to this Agreement, shall be forwarded to the:

Assistant Deputy Comptroller  
Houston Field Office  
1301 McKinney Street, Suite 1410  
Houston, TX, 77010-3031

## ARTICLE II

### COMPLIANCE COMMITTEE

(1) Within ten (10) days of the date of this Agreement, the Board shall appoint a Compliance Committee of at least three (3) directors, of which no more than one (1) shall be an employee or controlling shareholder of the Bank or any of its affiliates (as the term “affiliate” is defined in 12 U.S.C. § 371c(b)(1)), or a family member of any such person. Upon appointment, the names of the members of the Compliance Committee and, in the event of a change of the membership, the name of any new member shall be submitted in writing to the Assistant Deputy Comptroller. The Compliance Committee shall be responsible for monitoring and coordinating the Bank's adherence to the provisions of this Agreement.

(2) The Compliance Committee shall meet at least monthly.

(3) Within thirty (30) days of the date of this Agreement and within thirty (30) days of each calendar quarter thereafter, the Compliance Committee shall submit a written progress report to the Board setting forth in detail:

- (a) actions taken since the prior report (if any) to comply with each Article of this Agreement;
- (b) the results and status of those actions; and
- (c) a description of the action needed and the anticipated time frame to achieve full compliance with each Article of this Agreement;

(4) The Board shall forward a copy of the Compliance Committee's report, with any additional comments by the Board, to the Assistant Deputy Comptroller within ten (10) days of receiving such report. These reports shall:

- (a) Include the Compliance Committee's report to the Board for the applicable quarter, with any additional comments by the Board; and
- (b) Describe any actions initiated by the Board or the Bank to comply with each Article of this Agreement.

### ARTICLE III

#### OVERDRAFT PROGRAM

(1) Within thirty (30) days, the Board shall submit to the Assistant Deputy Comptroller for approval an "Overdraft Plan" that shall, at a minimum:

- (a) identify each overdraft program to be offered by the Bank and including the following information about each overdraft program:

- (i) the standards under which a consumer qualifies for the overdraft program;
  - (ii) the fees that a consumer may be charged under the program, and the limitation on the fees that a customer may be charged, including the number of overdraft charges a consumer may be assessed in a single day, month, and year;
  - (iii) any disclosures, marketing, promotional materials, contract provisions, terms, account management, monitoring, internal controls, and implementation associated with the overdraft programs;
- (b) comply with all applicable laws, regulations or OCC guidance, including but not limited to, section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 and Regulation E of the Board of Governors of the Federal Reserve System, 12 C.F.R. Part 205; and
- (c) ensure the following:
  - (i) that the Bank's marketing or promotional materials and other information about deposit accounts, related fees, and overdraft protection are not misleading or deceptive;
  - (ii) that the Bank adopt reasonable limits on aggregate and/or daily/monthly overdraft fees based on total dollars and/or total number of transactions;
  - (iii) that the Bank establish standards and internal controls to monitor overdrafts to identify overuse, misuse, or abuse of

the program, and develop appropriate intervention policies, including consumer education, alternative credit sources, and/or termination of PrivilegePay, as appropriate, for consumers who use PrivilegePay excessively; and

- (iv) that the Bank shall revise the program it offers and administers known as “Take Charge Repayment” to allow earlier notification and enrollment in the program by customers who are continuously overdrawn.

(2) Upon approval by the Assistant Deputy Comptroller, the Bank shall implement the approved Overdraft Program within thirty (30) days.

#### ARTICLE IV

#### CONSUMER RESTITUTION

(1) Within thirty (30) days of the execution of this Order, the Bank shall provide for the Assistant Deputy Comptroller’s approval a plan to identify and compensate “Eligible Consumers” who were harmed as a result of PrivilegePay (“Restitution Plan”). The Restitution Plan shall identify the methodology and total dollar amount of restitution that Eligible Consumers may receive.

(2) At a minimum, the Restitution Plan shall identify and provide for compensation to “Eligible Consumers,” who are defined as follows:

- (a) all consumers at the Bank from January 1, 2005 until the execution of this Agreement who, in any given month or on any monthly account statement, were charged and paid overdraft fees (continuous or per incident overdraft fees) in excess of the

overdraft limit established by the Bank for each account, excluding the following fees from such compensation:

- (i) continuous or per incident overdraft fees that were imposed but not paid or paid but later refunded; and
- (b) all consumers at the Bank from October 1, 2007 until the execution of the Formal Agreement who paid more than seven continuous overdraft fees in any period in which the consumer's account remained continuously overdrawn, excluding the following fees from such compensation:
  - (i) continuous overdraft fees that were imposed but not paid or paid but later refunded;
  - (ii) continuous overdraft fees that were paid after day thirty five of a continuous overdraft; and
  - (iii) continuous overdraft fees that are refunded pursuant to any restitution described above for overdraft fees paid in excess of the overdraft limit established by the Bank; but
- (c) the term "Eligible Consumers" shall not include business accounts at the Bank.

(3) The Restitution Plan shall include a process for offsetting the following against the restitution sum due to an Eligible Consumer ("Netting"):

- (a) the amount of any overdrafts covered by the Bank on the Eligible Consumer's account and accompanying overdraft fees due from

the Eligible Consumer, whether or not they have been charged off by the Bank;

- (b) the amount of any overdraft fees that were refunded to an Eligible Consumer for a transaction that would otherwise be compensable under the Restitution Plan; and
- (c) notwithstanding the above, the Bank is not entitled to reduce an Eligible Consumer's restitution sum for fees that, had they been paid by the Eligible Consumer, would be included in the Eligible Consumer's restitution sum.

(4) The Restitution Plan shall establish a process for reporting to the appropriate credit bureau(s) any reduction in the outstanding balance, if the outstanding balance was reported to such credit bureau(s), of an Eligible Consumer's overdraft fees due to Netting.

(5) The Restitution Plan shall identify the name of a third party claims administrator, or similar entity, who will assist the Bank carrying out the required restitution to Eligible Consumers.

(6) The Restitution Plan shall also provide:

- (a) a description of the procedures for issuance and tracking or restitution checks mailed to, and negotiated by, Eligible Consumers, including procedures for Notifying Eligible Consumers of the content of the Restitution Plan and providing additional information to consumers receiving restitution checks,

and procedures for handling undeliverable and non-negotiated checks; and

- (b) a description of the process by which the Bank will submit documentation to the Assistant Deputy Comptroller substantiating the Bank's restitution efforts and for obtaining the Assistant Deputy Comptroller's concurrence in writing that the Bank's restitution obligations are fully satisfied.

## ARTICLE V

### RESERVE

(1) Within ten (10) days of the Assistant Deputy Comptroller's approval of the Restitution Plan, the Bank shall deposit into a segregated deposit account ("Restitution Account") a minimum of \$32,000,000. This amount may be subject to increase, depending on the amount of restitution owed to Eligible Consumers.

(2) Upon receipt of a determination of supervisory non-objection by the Assistant Deputy Comptroller to the Restitution Plan, the Bank shall within thirty (30) days adopt, implement, and adhere to the Restitution Plan. Any proposed changes to or deviations from the Restitution Plan shall be submitted in writing to the Assistant Deputy Comptroller for prior supervisory review and non-objection.

(3) The Bank shall be responsible for all expenses associated with the requirements of the Article.

(4) Funds in the Restitution Account remain property of the Bank unless and until restitution checks drawn on the account are negotiated by such consumers.

## ARTICLE VI

### CLOSING

(1) Although the Board has agreed to submit certain programs and reports to the Assistant Deputy Comptroller for review or prior written determination of no supervisory objection, the Board has the ultimate responsibility for proper and sound management of the Bank.

(2) It is expressly and clearly understood that if, at any time, the Comptroller deems it appropriate in fulfilling the responsibilities placed upon him/her by the several laws of the United States of America to undertake any action affecting the Bank, nothing in this Agreement shall in any way inhibit, estop, bar, or otherwise prevent the Comptroller from so doing.

(3) Any time limitations imposed by this Agreement shall begin to run from the effective date of this Agreement. Such time requirements may be extended in writing by the Assistant Deputy Comptroller for good cause upon written application by the Board.

(4) The provisions of this Agreement shall be effective upon execution by the parties hereto and its provisions shall continue in full force and effect unless or until such provisions are amended in writing by mutual consent of the parties to the Agreement or excepted, waived, or terminated in writing by the Comptroller.

(5) In each instance in this Agreement in which the Board is required to ensure adherence to, and undertake to perform certain obligations of the Bank, it is intended to mean that the Board shall:

- (a) authorize and adopt such actions on behalf of the Bank as may be necessary for the Bank to perform its obligations and undertakings under the terms of this Agreement;
- (b) require the timely reporting by Bank management of such actions directed by the Board to be taken under the terms of this Agreement;
- (c) follow-up on any non-compliance with such actions in a timely and appropriate manner; and
- (d) require corrective action be taken in a timely manner of any non-compliance with such actions.

(6) This Agreement is intended to be, and shall be construed to be, a supervisory “written agreement entered into with the agency” as contemplated by 12 U.S.C. § 1818(b)(1), and expressly does not form, and may not be construed to form, a contract binding on the Comptroller or the United States. Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the Comptroller may enforce any of the commitments or obligations herein undertaken by the Bank under his supervisory powers, including 12 U.S.C. § 1818(b)(1), and not as a matter of contract law. The Bank expressly acknowledges that neither the Bank nor the Comptroller has any intention to enter into a contract. The Bank also expressly acknowledges that no officer or employee of the Office of the Comptroller of the Currency has statutory or other authority to bind the United States, the U.S. Treasury Department, the Comptroller, or any other federal bank regulatory agency or entity, or any officer or employee of any of those entities to a contract affecting the Comptroller’s exercise of his supervisory

responsibilities. The terms of this Agreement, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements or prior arrangements between the parties, whether oral or written.

IN TESTIMONY WHEREOF, the undersigned, authorized by the Comptroller, has hereunto set his hand on behalf of the Comptroller.

/s/  
Francis Alleman  
Assistant Deputy Comptroller  
Houston Field Office

10/06/2010  
Date

IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting Board of Directors of the Bank, have hereunto set their hands on behalf of the Bank.

<u>/s/</u> Kenneth Babcock	<u>10/01/10</u> Date
<u>/s/</u> Dave Bratton	<u>10/01/10</u> Date
<u>/s/</u> Gerald Cobb	<u>10/01/10</u> Date
<u>/s/</u> Larry Eichenbaum	<u>10/01/10</u> Date
<u>/s/</u> Robert Marling, Jr.	<u>10/01/10</u> Date
<u>/s/</u> James V. Morell	<u>10/01/10</u> Date
<u>/s/</u> Robert Peterson	<u>10/01/10</u> Date
<u>/s/</u> Michael Richmond	<u>10/01/10</u> Date
<u>/s/</u> George V. Sowers	<u>10/01/10</u> Date
<u>/s/</u> B.J. Westbrook	<u>10/01/10</u> Date