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CERTIFICATION**

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MICHAEL K. JEANES, Clerk
By *R. Aguilera*
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5 Attorneys for the Plaintiff

6 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

7 IN AND FOR MARICOPA COUNTY

8 STATE OF ARIZONA ex rel. THOMAS)
9 L. WOOD, Superintendent of the)
Arizona Department of Financial)
10 Institutions,)

Plaintiff,

11 v.)

12 FIRST STATE BANK, an Arizona)
chartered nonmember bank.)

13 Defendant.)

Cause No. CV 2009-053053

ORDER APPOINTING RECEIVER

14 The Court having considered the *Verified Complaint and Application for*
15 *Appointment of Receiver, the Attorney's Certificate, and the Memorandum of Points and*
16 *Authorities in Support of the Superintendent's Application for Appointment of a Receiver*
17 and exhibits thereto, filed by the Plaintiff; the Court finds that the appointment without
18 notice of a Receiver of First State Bank ("FSB") and the ancillary injunctive relief provided
19 herein is necessary to prevent immediate and irreparable injury, loss and damage to FSB and
20 to the depositors and other creditors who have done business with FSB; and the Court finds
21 that FSB is in an unsafe and unsound condition which requires the appointment of a receiver

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1 for the reasons that capital of FSB is rapidly deteriorating and there is no reasonable
2 likelihood that it will be able to reverse the trend or obtain an infusion of new capital as a
3 result of, among other things, the failure of FSB to comply with various provisions of the
4 Cease and Desist Order entered by the Superintendent and the FDIC including the
5 requirement for the infusion of \$2 million in additional capital by September 1, 2009, the
6 continuing operating losses, and the deficiency in its management.

7 The Court further finds that the FDIC is willing to accept appointment as Receiver of
8 FSB under the terms of this order, that the Superintendent has entered an order closing the
9 bank effective on the close of business on September 4, 2009, and that if a Receiver is not
10 appointed without notice, the assets owned or controlled by FSB may be transferred,
11 encumbered, liquidated or otherwise dissipated thereby making the recovery and
12 preservation of such assets difficult or impossible, all to the irreparable injury, loss or
13 damage to depositors, customers, borrowers and creditors of FSB.

14 NOW THEREFORE IT IS HEREBY ORDERED that the Federal Deposit Insurance
15 Corporation ("FDIC") is appointed Receiver of First State Bank and all of its assets, real or
16 personal, tangible and intangible, of whatever kind and description and wherever located
17 ("Receivership Assets").

18 IT IS FURTHER ORDERED that pursuant to A.R.S. §6-395.02 and 12 U.S.C.
19 §1822(a), no bond shall be required of the FDIC for acting as Receiver.

1 **IT IS FURTHER ORDERED** that the Receiver is directed and authorized to:

2 1. Assume full control of FSB by removing, as the Receiver deems necessary or
3 advisable, any director, officer, independent contractor, employee, or agent of FSB, from
4 control of, management of, or participation in, the affairs of FSB.

5 2. Take exclusive custody, control and possession of all Receivership Assets and
6 all documents and other records belonging to or pertaining to FSB (“Receivership Records”).

7 3. Enter and take all steps necessary to secure any premises, wherever located or
8 situated, in order to take possession, custody or control of, or to identify the location or
9 existence of any Receivership Assets or Receivership Records including without limitation all
10 offices and branches of FSB wherever located.

11 4. To the extent necessary to maintain the peace and upon request of the Receiver,
12 any peace officer of this State is authorized and directed to assist the Receiver in order to
13 carry out the Receiver’s duties and to take possession, custody or control of Receivership
14 Assets and Receivership Records, including but not limited to the Receiver’s right and
15 authority to (a) enter into and secure any premises, property or real estate, wherever located
16 or situated, in order to take possession, custody or control of or to identify the location or
17 existence of any Receivership Assets and Receivership Records, (b) take actual or
18 constructive possession, custody and control of any Receivership Assets or Receivership
19 Records, (c) secure or remove the personal property of any third party that is located in or on
20 any premises or real estate constituting a Receivership Asset, (d) remove any person or that
21 person's property from any premises or real estate constituting a Receivership Asset whose

1 claim of a right to have property located at or to be on or possess such premises or real estate
2 is not evidenced by a written lease agreement with the owner of such premises or real estate
3 and (e) remove any person from any premises or real estate constituting a receivership asset
4 that attempts to interfere with the Receiver or the Receiver's attorneys or agents in the
5 performance of their duties.

6 5. Dispose of such assets or business of FSB that the Receiver deems necessary
7 and advisable to carry out the Receiver's obligations under the Federal Deposit Insurance Act
8 (12 U.S.C. §1811 *et seq.*).

9 IT IS FURTHER ORDERED that the Receiver shall have all powers, authorities,
10 rights and privileges heretofore possessed by the officers and directors of FSB under
11 applicable state and federal law and by the Bylaws and Articles of Incorporation of FSB, in
12 addition to all powers and authority conferred upon the Receiver by this order, and the
13 provisions of A.R.S. §6-131 and the Federal Deposit Insurance Act (12 U.S.C. 1811 *et seq.*).
14 The authority of the directors, officers, employees and agents of FSB to act on behalf of FSB
15 is terminated upon the Superintendent's closing of the bank. Such persons shall have no
16 authority with respect to FSB or its operations or assets, except as may hereafter be expressly
17 granted by the Receiver.

18 IT IS FURTHER ORDERED that:

19 1. Immediately upon receiving notice of this Order, or within such period as may
20 be permitted by the Receiver, the officers, directors and employees of FSB and any other
21 person or entity receiving notice of this order shall transfer or deliver to the Receiver

1 possession, custody, and control of all Receivership Assets, all Receivership Records, and all
2 other assets now held or controlled by FSB.

3 2. The officers, directors and employees of FSB and any other person or entity
4 receiving notice of this order shall fully cooperate with and assist the Receiver, which shall
5 include, but not be limited to, providing information to the Receiver that the Receiver deems
6 necessary to exercising the authority and discharging the responsibilities of the Receiver
7 under this Order; providing any password required to access any computer, electronic file, or
8 telephonic data in any medium; advising all persons who owe money to FSB that all debts
9 should be paid directly to the Receiver; and provide to the Receiver all keys and codes
10 necessary to gain or to secure access to any Receivership Assets or Receivership Records.

11 3. All banks, broker-dealers, savings and loans, escrow agents, title companies,
12 commodity trading companies, or other financial institutions shall cooperate with all
13 reasonable requests of the Receiver relating to implementation of this Order, including
14 transferring funds at the Receiver's direction and producing records related to the assets of
15 FSB.

16 4. Pursuant to A.R.S. §6-395.02, the FDIC as Receiver herein shall have all of the
17 powers, privileges and duties as receiver provided by the laws of Arizona and this order
18 except insofar as such powers, privileges and duties are in conflict with the provisions of the
19 Federal Deposit Insurance Act (12 U.S.C. 1811 *et seq.*), which shall control.

20 IT IS FURTHER ORDERED that the Plaintiff shall give notice of this Order to each
21 of FSB's officers at or after the time the Receiver takes possession of the bank.

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4150 West Northern Ave.
Phoenix, Arizona 85051
(623) 937-2795

1 DATED: September 3, 2009

2 TIME: 10:46 AM

3
4 *Richard Gama*
Judge of the Superior Court

5 J. RICHARD GAMA

6
7 0309-014 (87315)

17 The foregoing instrument is a full, true and correct copy
of the original on file in this office.

18 Attest 9-3-2009
MICHAEL K. JEANES, Clerk of the Superior Court of the
State of Arizona, in and for the County of Maricopa.

19 By *R. Aquilera* Deputy