

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF INGHAM

IN THE MATTER OF THE PETITION
OF KEN ROSS, COMMISSIONER
OF THE OFFICE OF FINANCIAL AND
INSURANCE REGULATION, FOR APPOINTMENT
OF A RECEIVER FOR CITIZENS STATE BANK,
NEW BALTIMORE, MICHIGAN

JOYCE DRAGANCHUK
No. 09-1698-PR

HON. WILLIAM E. COLLETTE

ORDER APPOINTING RECEIVER

At a session of said Court
held in the Circuit Courtrooms
for the County of Ingham,
State of Michigan on the
15th day of Dec, 2009

PRESENT: HON. WILLIAM E. COLLETTE

This matter having come before the Court upon the Verified Petition of Ken Ross, Commissioner of the Office of Financial and Insurance Regulation, and the Court having read and considered the Verified Petition for Appointment of Receiver with supporting documentation, and it appearing to the Court, based upon the Verified Petition presented, that Citizens State Bank, New Baltimore, Michigan, a Michigan banking corporation, is in an UNSAFE AND UNSOUND CONDITION and this Court being satisfied that the continued operation of Citizens State Bank will jeopardize the safety of the funds of its depositors, and this Court being further satisfied that an appointment of the Federal Deposit Insurance Corporation as Receiver of Citizens State Bank is in the best interest of the public, the depositors and the creditors, and that the immediate consideration of the Verified Petition, as provided by law, is needed to protect all interested parties;

IT IS THEREFORE ORDERED AND ADJUDGED that the Federal Deposit Insurance Corporation be and is hereby appointed Receiver without bond of Citizens State Bank pursuant to the

provisions of § 2402 of the Michigan Banking Code of 1999, MCL 487.12402, and 12 USC § 1811 et seq. This appointment is effective at six o'clock p.m. on December 18, 2009.

IT IS FURTHER ORDERED AND ADJUDGED that upon the acceptance of such appointment, the Federal Deposit Insurance Corporation, as Receiver, shall possess all of the rights, powers and privileges provided by the laws of this state with respect to a receiver of a banking institution, as well as those provided in 12 USC § 1811 et seq., and all rules and regulations issued pursuant thereto, and that title to all of the assets, business, and property of Citizens State Bank, of every kind and nature, shall pass to and vest in the Federal Deposit Insurance Corporation, as Receiver, without execution of any instruments or conveyance, assignment, transfer or endorsement.

IT IS FURTHER ORDERED AND ADJUDGED that the Federal Deposit Insurance Corporation, as Receiver, may liquidate Citizens State Bank pursuant to the provisions of the Federal Deposit Insurance Act, 12 USC § 1811 et seq., and FDIC rules and regulations issued pursuant thereto and may take possession of all of its books, records and assets of every description, and collect all debts to and claims belonging to Citizens State Bank, and, if necessary, to pay the debts of the bank and enforce the individual liability, if any, of the shareholders, officers and directors of the bank.

IT IS FURTHER ORDERED that Citizens State Bank, its board of directors, officers and agents, are hereby prohibited and restrained from any further transaction of Citizens State Bank's business, including the disposition of Citizens State Bank's assets and property.

This order is issued upon consideration of the Verified Petition of the Commissioner of the Office of Financial and Insurance Regulation without notice by the Petitioner to the bank, its depositors, creditors or shareholders. No notice is required pursuant to MCL 487.12402. The petition is granted without hearing for the additional reason that giving notice would delay the Court in acting

on this petition, which delay would likely destroy the opportunity for an advantageous sale of certain assets of the bank and the assumptions of deposits and certain other liabilities of the bank, at great financial loss to depositors. Any such delay may also prevent the opening of the doors by any assuming bank, thereby interrupting the continuing banking services in the community served by the bank and would further jeopardize the interest of the bank's depositors and creditors.

WILLIAM E. COLLETTE

Hon. William E. Collette
30th Circuit Chief Judge