Memorandum of Agreement
Between
The Federal Deposit Insurance Corporation
And The
Illinois State Historic Preservation Officer
And
The Harvard State Bank
For The
Demolition of Bemis Motor Company Building, 121 N. 4th Street (Hwy 2), Oregon, Ogle County, Illinois

WHEREAS, the Federal Deposit Insurance Corporation (the "FDIC") has received an application submitted to the Chicago Regional Office from The Harvard State Bank (the "Bank"), a state non-member bank, for the establishment of a domestic branch location (the "Application") at 121 N. 4th Street (Highway 2), Oregon, Illinois (the "Property"); and

WHEREAS, the FDIC understands in connection with the Application, the Bank proposes the demolition of the Bemis Motor Company Building and the construction and operation of a new bank branch building on the Property (the "Project"); and

WHEREAS, prior to the Bank operating the proposed branch at the Property, the FDIC must review and approve the Application pursuant to 12 C.F.R. Part 303, Subpart C, thereby making the project an "Undertaking" subject to review under Section 106 of the National Historic Preservation Act ("NHPA"), 16 U.S.C. § 470f, and its implementing regulations, 36 C.F.R. Part 800; and

WHEREAS, the area of potential effects is the Property and the properties adjacent to the Property; and

WHEREAS, the FDIC has determined that the demolition of the Bemis Motor Company Building at 121 N. 4th Street (Highway 2) in Oregon, Illinois by the Bank will have an adverse effect on the Oregon Commercial Historic District, which is listed on the National Register of Historic Places, and the Bemis Motor Company Building is included as a contributing structure for the Oregon Commercial Historic District, and;

WHEREAS, the FDIC has consulted with the Illinois State Historic Preservation Officer ("SHPO") and the Advisory Council on Historic Preservation (the "ACHP") pursuant to 36 CFR Part 800.5 of the regulations implementing Section 106 of the NHPA; and

WHEREAS, the Bank participated in this consultation, and has been invited to be a signatory to this Memorandum of Agreement;

WHEREAS, after making a reasonable and good faith effort, including attempts at contacting the Ho-Chunk, Miami, Peoria, Potawatomi, and Sac and Fox Tribes, the FDIC has not identified any federally recognized Indian tribes that may have attached religious or cultural significance to the Property in accordance with 36 C.F.R. § 800.2(c)(2)(ii), or identified any evidence to suggest that there are any such Indian tribes that should be invited to be a consulting party pursuant to 36 C.F.R. § 800.3(f)(2); and

WHEREAS, the FDIC, in accordance with 36 C.F.R. § 800.6(a)(1), has notified the ACHP of its adverse effect determination and provided the specified documentation pertaining to such notice, and the ACHP has chosen not to participate in the consultation pursuant to 36 C.F.R. § 800.6(a)(1)(iii); and

NOW, THEREFORE, the FDIC and the Illinois SHPO agree that the undertaking shall be implemented in accordance with the following stipulations in order to take into account the effect of the undertaking on historic properties.

Stipulations

The FDIC will ensure that the following mitigation measures are carried out:

1. The Bank shall arrange for The Bemis Motor Company Building located at 121 North 4th Street, Oregon, Illinois to be documented in accordance with the Standards and Guidelines of the Illinois Historic American Buildings Survey. The recordation level will be Level III. The number shall be O-2012-1. The Bank shall provide a draft document for review to the SHPO. Upon its approval, the SHPO shall give permission to the Bank for demolition of the building. One original and one gold CD shall be provided to the SHPO. The Bank shall also offer to provide a copy of the documentation to the local historical society in a format of their choice.

2. The Bank's proposed design for the new banking facility to be located at 121 N. 4th Street, Oregon, Illinois must meet the "Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings." The Bank's design shall be reviewed and approved by the Illinois State Historic Preservation Office prior to the initiation of construction activities.

3. Disputes regarding the completion of the terms of this agreement shall be resolved by the signatories. If the signatories cannot agree regarding a dispute, any one of the signatories may request the participation of the ACHP to assist in resolving the dispute.

4. If historic properties are discovered or unanticipated effects on historic properties are found after the FDIC's review is completed, the Bank shall notify the FDIC and the SHPO and the parties shall proceed in accordance with the provisions governing post-review discoveries, 36 C.F.R. §800.13(b).

5. This agreement may be amended when such an amendment is agreed to in writing by all signatories. The amendment will be effective on the date a copy signed by all of the signatories is filed with the ACHP.

6. If any signatory or invited signatory to this agreement determines that its terms will not or cannot be carried out, that party shall immediately consult with the other parties to attempt to develop an amendment pursuant to Stipulation 5. If, within 30 calendar days (or another time period agreed to by all signatories), an amendment cannot be reached, any signatory may terminate the agreement upon written notification to the other signatories. Once the agreement is terminated, and prior to work continuing on the undertaking, the FDIC will either: (a) execute a Memorandum of Agreement pursuant to 36 C.F.R. § 800.6, or (b) request, take into account, and respond to the comments of the ACHP under 36 C.F.R. § 800.7. The FDIC shall notify the

signatories and invited signatories as to the course of action it will pursue.

7. This agreement will expire if its stipulations are not carried out within 18 months from the date of its execution. At such time, and prior to work continuing on the undertaking the FDIC will either: (a) execute a Memorandum of Agreement pursuant to 36 C.F.R. § 800.6, or (b) request, take into account, and respond to the comments of the ACHP under 36 C.F.R. § 800.7. Prior to such time, the FDIC may consult with the other signatories and invited signatories to reconsider the terms of this agreement and amend it in accordance with Stipulation 5. The FDIC shall notify the signatories and invited signatories as to the course of action it will pursue.

8. Every six months following the execution of this agreement until it expires or is terminated, the FDIC shall provide all parties to this agreement a summary report detailing work carried out pursuant to its terms. Such report shall include any scheduling changes proposed, any problems encountered, and any disputes and objections received in the FDIC's efforts to carry out the terms of this agreement.

Execution of this Memorandum of Agreement evidences that the FDIC has consulted with the SHPO and the Bank, the FDIC has afforded the ACHP an opportunity to comment on this undertaking, and that the FDIC has taken into account the effects of the undertaking on historic properties.

FEDERAL DEPOSIT INSURANCE CORPORATION

BY:_____ Date:_____
M. Anthony Lowe, Regional Director

ILLINOIS STATE HISTORIC PRESERVATION OFFICER

BY: Anne E. Haaker Date: 4.25.13
Anne Haaker, Deputy SHPO

CONCURRING PARTY
THE HARVARD STATE BANK

BY: Roger L. Lehmann Date: April 24, 2013
Roger L. Lehmann, President