

April 29, 2008

Mr. Alex Golden
President and Chief Executive Officer
Allied Bank
P.O. Drawer A
Mulberry, Arkansas 72947

Dear Mr. Golden:

This is in reference to the notice submitted by Allied Bank, Mulberry, Arkansas, pursuant to Section 208.76 of Regulation H, to establish a proposed wholly-owned subsidiary, The Mortgage Bank of Arkansas, Inc., Little Rock, Arkansas (“The Mortgage Bank”), as a financial subsidiary. The Mortgage Bank is proposing to engage in the origination of mortgage loans for subsequent sale in the secondary market, act as a closing agent, and sell title insurance as agent within the meaning of Section 121 of the Gramm-Leach-Bliley Act (12 U.S.C. 24a, 335, 371c and 1971) and Subpart G of the Board’s Regulation H (12 C.F.R. Sections 208.71 – 77).

Allied Bank has certified that it is well capitalized and well managed, and has provided all the information required by 12 C.F.R. Section 208.76 of Regulation H. This Reserve Bank has reviewed the examination ratings for Allied Bank under the Community Reinvestment Act (“CRA”) and other relevant examinations and information. Based on all the facts of record, this Reserve Bank has determined that this notice for The Mortgage Bank to become a financial subsidiary is approved as of April 29, 2008.

Allied Bank may continue to claim the benefits of controlling a financial subsidiary as long as the bank, and any future depository institution affiliates of the bank, remain well capitalized and well managed. Allied Bank must provide notice to this Reserve Bank if it becomes aware that Allied Bank, or any future depository institution affiliate of Allied Bank, has ceased to be well capitalized and well managed. See 12 C.F.R. Section 208.74.

Finally, Allied Bank should be aware that the activities limitations of Section 208.75 of the Board’s Regulation H (12 C.F.R. Section 208.75) would apply should the bank, or any future depository institution affiliated with Allied Bank, receive a less than satisfactory CRA rating.

Sincerely,

/s/ Dennis W. Blase

Dennis W. Blase
Assistant Vice President