

MAINE BUREAU OF FINANCIAL INSTITUTIONS

IN RE: QUADS TRUST COMPANY - ORDER OF FINAL DISPOSITION

WHEREAS, pursuant to 9-B M.R.S.A. § 121, the Maine Bureau of Financial Institutions ("the Bureau") has responsibility for administering the Maine Banking Code, 9-B M.R.S.A. §§ 111 through 1329; and

WHEREAS, QUADS Trust Company, a nondepository trust company organized pursuant to Chapter 121 of the Maine Banking Code and having a principal place of business in Frederick, Maryland, was subject to the supervisory powers of the Superintendent of the Bureau of Financial Institutions ("the Superintendent"); and

WHEREAS, after examination and by his Order of January 31, 2007, a copy of which is annexed hereto and made a part hereof as Exhibit A, the Superintendent mandated the conservatorship of QUADS Trust Company; and

WHEREAS, by his Order of January 31, 2008, a copy of which is annexed hereto and made a part hereof as Exhibit B, the Superintendent terminated the conservatorship of QUADS Trust Company, closed QUADS Trust Company, and appointed Deputy Superintendent of Financial Institutions Donald W. Groves as Receiver of QUADS Trust Company; and

WHEREAS, the Receiver has represented to the Superintendent, to the best of the Receiver's knowledge and belief, that all known claims against QUADS Trust Company have been paid or settled, or will be soon, and that the Receiver's other responsibilities under the Maine Banking Code and the Superintendent's Orders have been discharged; and

WHEREAS, this Order is made by the Superintendent pursuant to his powers and authority conferred on him pursuant to Title 9-B M.R.S.A. Sections 367-A(5) and 368(2); and

WHEREAS, the Receiver has represented to the Superintendent, to the best of the Receiver's knowledge and belief, that as of September 30, 2008 remaining assets of QUADS Trust Company consist of:

a. Five Thousand One Hundred and Six Dollars and 65 Cents (\$5,106.65) held in deposit in Branch Banking & Trust Company, Frederick, Maryland and Three Hundred Fifty-Six Thousand Nine Hundred and Three Dollars and 80 Cents (\$356,903.80) held in deposit in Kennebec Savings Bank, Augusta, Maine; and

b. A note from QUADS Financial Group, Inc. of Frederick, Maryland, the sole shareholder of QUADS Trust Company, having a remaining balance of One

Hundred Sixty-Five Thousand Dollars (\$165,000.00) plus Thirty-seven Thousand Six Hundred and Eighty-six Dollars and 10 Cents (\$37,686.10) of unpaid interest, which note is personally guaranteed by Wayne S. Foren, the former President of QUADS Financial Group, Inc.

THEREFORE, it is hereby ORDERED:

1. The Receiver, on the forty-first day following the effective date of this Order, after deducting any expenses due the Receiver and any amounts due claimants as determined by the Receiver, and provided that no person has filed an appeal of this Order in accordance with 5 M.R.S.A. § 11002, shall convey and transfer the remaining assets of QUADS Trust Company to QUADS Financial Group, Inc., in care of the Bankruptcy Chapter VII Trustee of QUADS Financial Group, Inc. ("the Chapter VII Trustee");
2. In the event a timely appeal of this Order is filed in accordance with 5 M.R.S.A. § 11002, the Receiver shall retain all remaining assets of QUADS Trust Company during the pendency of said appeal and shall continue to administer the receivership estate in defending said appeal or otherwise as the Receiver deems appropriate and shall be entitled to use all said remaining assets to pay or reimburse all costs, expenses and/or claims incurred or arising in connection with defending said appeal or otherwise in connection with the continued administration of the receivership estate. At such time as said appeal is finally resolved, and after payment or reimbursement of all costs, expenses and/or claims incurred during the pendency of said appeal, the remaining assets of QUADS Trust Company shall thereafter be transferred in the manner prescribed pursuant to the final appeal resolution.
3. In the event no timely appeal of this Order is filed, or upon final resolution of any timely appeal (unless the resolution of said appeal dictates otherwise), the Receiver shall thereafter either deliver to the Chapter VII Trustee the remaining files, documents, and other records of QUADS Trust Company or, if the Chapter VII Trustee does not wish to take possession of those records, arrange for their confidential destruction (with the cost of any such delivery or destruction of files to be paid by the Receiver from the remaining assets of QUADS as a cost of administration), except that the Receiver may retain any records created by him whose preservation he deems, in his sole discretion, appropriate;
4. All claims of whatever nature relating to the receivership of QUADS Trust Company are and shall be extinguished, forever barred, and without recourse; and
5. After the expiration of the period for appeal of this Order, the Receiver is authorized to execute any and all documents necessary to conclude the affairs of QUADS Trust Company, including, but not necessarily limited to, final corporate tax returns, but not to include claims. The Receiver

remains immune from civil liability for the exercise of the authority granted under this paragraph in accordance with Title 9-B M.R.S.A. Section 365(11).

6. The Receiver is hereby forever discharged and released of and from any and all claims or liabilities of any nature whatsoever arising from or related to the administration of the QUADS Trust Company receivership estate and/or any and all acts or omissions of the Receiver relating thereto with respect to QUADS Trust Company, its affiliates, directors, officers or employees or any third parties.

By Order and Direction of the Superintendent of the Maine Bureau of Financial Institutions, effective 5:00 p.m. this 21st day of October 2008 at Gardiner, Maine.

/s/ Lloyd P. LaFountain III
Superintendent
Gardiner, Maine

Judicial Review

Pursuant to 5 M.R.S.A. § 11002, a party to this proceeding may within 30 days after notice of this Order file a petition for review in the Maine Superior Court. Any other person may within 40 days from the date this Order was rendered petition for review.