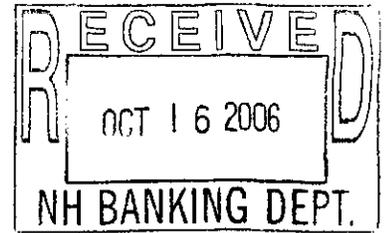


FINANCIAL RESOURCES

15 Northview Dr. • P.O. Box 1158 • Meredith, NH 03253
603-279-1133 • Fax (603) 279-5912
www.franh.com



October 13, 2006

New Hampshire Banking Dept.

64B Old Suncook, Rd.

Concord, NH 03301

Dear Kimothy,

To keep you informed, we have retained the firm of Gallagher, Callahan & Gartrell, PC to do a risk assessment of our operations with regards to Gramm-Leach-Bliley. The first meeting with them is scheduled in our offices for Friday, October 20, 2006. Attached please find a copy of their letter. We will keep you informed as we continue the process.

If you have any questions, please call me.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to be "Scott D. Farah".

Scott D. Farah
President

Exhibit to:

Appendix A Page A-12
Paragraph 30



DENIS J. MALONEY

214 North Main Street
P.O. Box 1415
Concord, NH 03302-1415

Ph: (603) 226-1161
Fax: (603) 226-3834
maloney@gcglaw.com

October 13, 2006

VIA FAX & MAIL

Scott D. Farah, President & CEO
Financial Resources & Assistance of
the Lakes Region, Inc.
15 Northview Drive
PO Box 1158
Meredith, NH 03253

Dear Scott:

We are writing to acknowledge your retention of our firm with respect to assisting you with state regulatory matters and to confirm our billing arrangements. Specifically, our near-term activity will include the performance of a Gramm-Leach-Bliley risk assessment. Other regulatory assistance may also be provided as requested.

The services you have requested in New Hampshire are performed at rates for attorneys who currently vary from \$175 to \$350 per hour depending on their experience and specialty. These rates are subject to change from time to time, as will be reflected in our invoices. In addition, we use LEXIS and other similar reference resources for computerized research in the performance of legal services and bill charges for that research separately. Where appropriate, we may also assign work to other professionals whose rates currently vary from \$100 to \$250 per hour depending on their experience and specialty. Susan LeDuc, our Regulatory Specialist, currently provides regulatory assistance at the rate of \$150 per hour.

Because the amount of work is unknown at this time, we will not require a retainer. If the amount is significant, we may request a retainer to be paid. We will deposit the retainer in our law firm trust account. The retainer will not be drawn upon until services have actually been rendered and billed. If the retainer has not been exhausted at the conclusion of our work on your behalf, the balance will be returned to you. If services and disbursements exceed the retainer, you will be billed for the balance and you may be asked to replenish the retainer if our work on your behalf is not concluded.

Our bills are presented monthly and itemize the services performed. Disbursements for photocopies, filing fees and the like will also appear on the bill. We expect bills to be paid within 30 days from the invoice date and reserve the right to charge a late fee of 1.5% per month on any overdue account balance.

GALLAGHER, CALLAHAN & GARTRELL, P.C.

AUGUSTA

BOSTON

CONCORD

www.gcglaw.com

Exhibit to:

Appendix A Page A-12
Paragraph 30

If the handling of a matter involves exceptional skill, effort and responsibility on our part, or the rendering of opinions involving assumption of significant responsibility, it may be necessary to depart from time-based fee arrangements and to charge on the basis of the value of services and the responsibility we have assumed. In that event, you will be consulted regarding any such change.

We look forward to working with you. Please feel free to call at any time with questions or concerns about legal matters that we are handling. If I cannot be reached, please ask for my colleague, Susan LeDuc, who will be able to assist you.

Very truly yours,


Denis J. Maloney

DJM:baf

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Exhibit to:

Appendix A Page A-12
Paragraph 30