



ALLEN CARVER

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RESUME

Mr. Carver retired after a 34 year career with the National Credit Union Administration. Sixteen years of his career were spent as Regional Director in Atlanta and Chicago. For over 20 years Mr. Carver was NCUA's Task Force Director for all chartering (including community charters), field of membership and merger policy revisions. Allen testified before Congressional committees and spoke at numerous national credit union meetings.

A graduate of Virginia Commonwealth University in Richmond, Virginia, Mr. Carver has a B.S. degree in Accounting. He attended the John F. Kennedy School of Government at Harvard University. Allen was NCUA's most highly decorated staff person having received numerous awards including the Presidential Meritorious Executive Award from President George Bush and is the only recipient of NCUA's Excellence Award

Allen formed his Consulting Firm in 1998 and employs former regulatory chartering and merger experts. His Firm has completed over 300 community proposals. All proposals including charter conversions (Federal to State, State to Federal), single cities and counties or multiple counties involving millions of people and underserved communities were approved by regulators.

Allen also has extensive experience involving credit union mergers. While at NCUA it is estimated that Allen processed and approved over 1,600 mergers. Allen's Firm has completed over 300 mergers. Mr. Carver facilitated the three largest mergers recently. His Firm handles mergers of all size of credit unions including those with relatively small assets.

Allen's firm handles sales and purchases involving branches, shares and loans.

Allen frequently serves as an expert witness in credit union related court cases.



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Work Experience

National Credit Union Administration (1965 – 1998). Last sixteen years
Regional Director Atlanta and Chicago

Allen Carver and Associates, Inc. (1998 – Present)

Awards

Meritorious Executive Presidential Rank Award presented by President George
Bush 1989

National Credit Union Administration Meritorious Executive Award 1996. At
time of Mr. Carver's retirement he was only recipient of that award.

Education

Virginia Commonwealth University Graduated Upper Quarter of Class 1965

Attended John F. Kennedy School of Government at Harvard University 1989

Conducted Seminars

Credit Union National Association – Annual Nationwide Meetings

National Association of Federal Credit Unions – Annual Nationwide Meetings

State Credit Union Trade Associations

Alabama, Arkansas, California, Florida, Georgia, Illinois, Indiana, Iowa,
Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi,



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Trade Associations (Continued)

Missouri, Montana, North Carolina, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Wisconsin.

American Institute of Certified Public Accountants – Several Meetings

United States Department of Defense Credit Union Annual Meetings

RSMcGladrey CPA Firm – Several Meetings

Orth, Chakler, Murnance & Company CPA Firm – One Meeting

O'Rourke Sacher & Moulton CPA Firm – Over Ten Meetings

Reinsel, Kuntz & Leshner CPA Firm – One Meeting

Attachment B – Expert Witness

Case Prepared Expert Witness Report and Testified

8.6.01

Re: Joseph S. Coey v. Parker. et al.

Second Judicial District Court Cause No. CV-2000-01925

Re: Joseph S. Coey v. New Mexico Educators Federal Credit Union

U. S. District Court Cause No. CIV 00-1613 MV/RLP (ACE)

Cases Prepared Expert Witness Report

4.30.04.

Re: Elizabeth Foster and Jerry Foster v. LOCO Credit Union, et al..

U. S. District Court Cause No. CIV-03-1243 LAM/KBM

CUMIS Claim No. 648023

2.15.08

Thirteen Defendants v American Partners Federal Credit Union, Dorinda M. Simpson, Ann Boone and David Morgan. In the General Court of Justice Superior Court Division 05 CVS 3401 (North Carolina) Prepared Affidavit.

Case related to the National Credit Union Administration Letter to Credit Unions 150

2.28.11

Robert Kross, Mary Kross, Robert Burns, Marcia Burns, and Sharon Dayton v. Belco Community Credit Union, Civil Action 2008-CV-12044-CV

Ronald Benner, Nancy Persuhn and Marjorie L. Bonner v. Belco Community Credit Union, Civil Action 2009-CV-00133-CV

Robert Handley, Holly Handley, Richard Johns, Joan Johns, and Fred Andrew v. Belco Community Credit Union, Civil Action 2006-CV-3217-CV

5.26.11

United States District Court, Southern District of Florida, West Palm Beach Division, Case No. 09-80973-CIV-RYSKAMP – Claudia Schorrig, and Jolene Sullivan, on their own behalf and on behalf of those similarly situated Plaintiffs,

vs. IBM Southeast Employees' Federal Credit Union, Southeast Services Organizations, Inc. and Barry Hughes, Defendants.

1.10.13

CoastHills Federal Credit Union, a Federal Corporation, Plaintiff, v. Atul P. Patel, Defendant, Case No. 9:11-bk-10091-RR, Adversary No.:9:11-AP-01129-RR
Chapter 7

4.8.13

Re: Jay W. Preston and Robert F. Erickson, as Trustees for Ronan Telephone Company, Employee Profit Sharing Trust Plaintiffs, v Whitefish Credit Union Association and DOES 1 – 10, Defendants; Montana Twentieth Judicial District Court, Lake County Dept. No 2002 Cause No. DV-11-146

8.22.13

Re: Ben Heyward Plaintiff, v The Credit Union Times Defendant; United States District Court for the District of New Mexico; Complaint, Case No. 1:12-cv-00258 (D.N.M. 2012)



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Re: *WHITEFISH CREDIT UNION, Plaintiff vs. THORCO INC., a Montana corporation, DENNIS THORNTON, DONNA THORNTON and JOHN DOE(s) 1-10. Defendants; Counter claimants vs. WHITEFISH CREDIT UNION, and JOHN DOE(s) 1 – 10 Counter-Defendants. Cause No. DV-12-174B, MONTANA ELEVENTH JUDICIAL DISTRICT COURT, FLATHEAD COUNTY*

EXPERT REPORT OF ALLEN CARVER

Prepared for counsel for
THORCO INC., a Montana Corporation, DENNIS THORNTON, DONNA THORNTON,
and JOHN DOES (s) 1 - 10

November 20, 2013

EXPERT REPORT OF ALLEN CARVER

Scope and Purpose of Engagement:

I was retained by counsel for THORCO INC., a Montana Corporation, DENNIS THORNTON, DONNA THORNTON, AND JOHN DOE(S) 1 – 10. ("Thorntons") in the above-referenced lawsuit to review, opine and, if called upon to do so, provide expert testimony regarding whether Whitefish Credit Union Association ("Whitefish"), a Federally insured credit union chartered under the laws of the State of Montana, committed a Breach of a Written Contract involving the loaning of money to finance a Thornton land development project. I have not previously performed any expert work or consulting services for Thornton or its counsel. I am being compensated at my standard hourly rate and no part of my compensation is dependent on the outcome of the lawsuits.

Professional Experience:

I am the principal of Allen Carver & Associates, Inc., a consulting firm located in Cumming, Georgia, (Atlanta) which I founded in 1998. Allen Carver & Associates' work relates exclusively to advising and consulting with credit union clients, or other clients on matters involving credit union-related matters, throughout the country. I also have provided expert witness testimony relating to credit union issues. I have never been precluded by a court from giving expert testimony. Our Firm has broad experience, among other things, in assisting clients in preparing regulatory filings for mergers, charter changes and conversions, reviewing member business loan portfolios and various regulatory issues. Detailed information about our Firm can be found at www.allencarver.com, which I incorporate as part of this report.

Prior to starting Allen Carver & Associates, Inc., I spent 33 years with the National Credit Union Administration ("NCUA") beginning in 1965. NCUA is the federal regulatory agency responsible for administering the federal deposit insurance program for Federally insured credit unions. For sixteen of those years, I was NCUA Regional Director in Atlanta and Chicago. For over 20 years, I was NCUA's Task Force Director for all chartering (including community charters), field of membership and merger policy revisions. I received numerous awards while at the NCUA, including the Presidential Meritorious Executive Award from President George Bush. I have testified before Congress, spoken at numerous national credit union meetings and conferences relating to credit unions.

Through my work with NCUA, and later as a consultant, I have developed broad expertise regarding NCUA's rules, practices, procedures and credit union oversight. For the last 15 years our Firm, Allen Carver and Associates, Inc., has provided management assistance, developed and facilitated strategic planning activities and developed and provided documentation. In some instances, our Firm provided interim management including providing staff to perform functions including but not limited to Chief Executive Officers and Chief Financial Officers. Our Firm has conducted many reviews of credit union policies and procedures. Our Firm has been accepted by NCUA to conduct reviews of credit union Member Business Loan Portfolios ("MBL") and we have reviewed such portfolios nationwide when called upon.

I am a graduate of Virginia Commonwealth University in Richmond, Virginia with a B.S. degree in Accounting. I also attended the John F. Kennedy School of Government at Harvard University in 1989.

Materials Reviewed/Interviews:

In preparing for this engagement and rendering the opinions described below, I was provided various written case materials by counsel for the Thorntons. Those written materials, along with others that I reviewed and considered, are set forth in Attachment A.

Background:

Credit Unions

Credit unions are member (customer) owned financial cooperatives. They provide an opportunity for persons of average means or less to build savings, receive loans for provident and productive purposes in a cooperative environment that many times reduces the interest costs to the members and provides for greater dividends on their savings versus other financial institutions.

As of September 30, 2013 there are approximately 6,600 credit unions in the United States with total assets of \$1.05 trillion. . Individually the three largest banks in the United States have more assets than the entire credit union industry. About one-third of all credit unions are "mom and pop" operations with under \$10 million in assets.

Large credit unions, defined as with assets exceeding \$500 million are more sophisticated offering a full range of products and services one would expect from a similar size local community bank.

While credit unions primarily serve the savings and consumer borrowing needs of members, they are allowed to make a limited amount of Member Business Loans.

In addition, each credit union making Member Business Loans must have staff expertise and procedures in place or utilize outside third-parties meeting those requirements. Requirements and restrictions for making Member Business Loans are contained in Section 107A of the Federal Credit Union Act and Part 723 of the NCUA Rules and Regulations. Member Business Loans may not exceed the lesser of 1.75 times net worth or 12.5% of each credit union's assets. In recent years the common denominator found in several large troubled credit unions involved them having loan portfolios

holding Member Business Loans. Within the last several years two large credit unions, Arrowhead Federal Credit Union (California) and Texans Credit Union (Texas) with large troubled Member Business Loan Portfolios were placed into Conservatorship by the National Credit Union Administration.

Please note for the purposes of this Expert Witness Report that the terms, Commercial Loans, Business Loans, Development Loans and Member Business Loans are all used interchangeably.

Whitefish Credit Union Association

Whitefish Credit Union Association "Whitefish" is a State of Montana chartered credit union whose deposits are insured by the National Credit Union Administration "NCUA", a Federal regulatory agency.

According to Call Reports filed with the NCUA, as of September 30, 2013, Whitefish was reported to be Montana's largest credit union with 56,527 members, assets of \$1.2 billion dollars and a branching structure of six offices that allowed them to service persons residing in Sanders, Flathead, Lake or Lincoln counties or within 50 miles of Whitefish. It is believed that Whitefish is one of the largest 250 credit unions in the United States. Those Call Reports show Whitefish engaged in potentially high risk Member Business Loan Activities that increased dramatically from \$63 million as of March 31, 2003 to \$317,320,126 as of March 31, 2009. Douglas Johnson, Whitefish's Vice President Member Business Loan Officer, incorrectly stated the Member Business Loan portfolio peaked at \$305 million. As of March 31, 2009, Member Business Loans represented 28.5% of Whitefish's assets with the regulatory limit being 12.5%. Since

Whitefish is classified as a limited income credit union, the regulatory limit on member business loans can be waived. However, such a dramatic increase in Member Business Lending came with increased regulatory concerns and oversight from the NCUA and Montana Division of Banking and Financial Institutions. Other documents clearly showed that Whitefish was having major operational issues including failure to properly underwrite, document and monitor MBL activity. Charlie Abell, Whitefish's long time Chief Executive Officer resigned and was replaced by Jim Kenyon in September 2009 (Deposition of Kenyon page 8). When Whitefish's Board of Directors hired Mr. Kenyon, they mandated that he "take care" of problems with loans, delinquent loans, but especially development type or commercial loans (Kenyon deposition page 23). The Board enacted a policy in 2009 of not loaning any more money on development loans until circumstances were worked out that were causing a problem. (underline added for emphasis) (Deposition of Randy Cogdill Page 20). It was disclosed that newly hired CEO Kenyon perhaps went beyond the Board's policy and said that there was a new policy adopted by him and followed by the credit union regarding this no new lending on ongoing development loans (underline added for emphasis). (Deposition of Randy Cogdill Page 24). During the same time, regulatory examiners showed a shift and discouraged any spec. home financing and subdivision financing (Deposition of Randy Cogdill Page 22). It is important to note that borrowers with Member Business Loans were not notified by Whitefish that they would not be loaning any more money on development loans, including existing loans (Deposition of Randy Cogdill Pages 24 and 25.) even though Whitefish's Loan Modification Guidelines dated March 4, 2010 required among other things that approximately two months prior to the balloon due date, a computer generated notice is mailed to the borrowers. The lack of such notification certainly violated usual and customary standards in the business lending

community. The only reasons I can give that Whitefish failed to notify their Member Business Loan borrowers is that Whitefish wanted to retain the loans and their related interest income as long as possible, which was contra to their policy of attempting to reduce their Member Business Loans, or Whitefish staff wanted to delay having a confrontation with Member Business Loan borrowers when they informed them Whitefish was not going to provide any additional funding.

Member Business Loan activity started to diminish, due to Whitefish's Board of Directors' mandate to Mr. Kenyon, and Mr. Kenyon's policy that was perhaps more restrictive than the Board's policy and perhaps in part, as a result of regulatory concerns. Member Business Loans were reduced to \$275 million as of March 31, 2011 and had declined further to \$193 million as of September 30, 2013.. Unless indicated otherwise, all financial information is from Whitefish Call Reports filed with the NCUA.

(The remainder of this page was intentionally left blank)

**THORCO, INC, DENNIS THORNTON AND DONNA THORNTON MEMBER
BUSINESS LOAN:**

THORNTONS

Dennis Thornton and Donna Thornton "Thorntons" had many years of successful timber sales and harvesting and previous positive experiences in land development. In many instances these projects required the borrowing of large sums of money. There is no indication that the Thorntons had ever experienced any difficulties in repaying such prior loans.

At some point in time, the Thorntons borrowed funds from Interstate Bank. The loan was eventually moved to Glacier Bank. In March 2009 Glacier Bank's Vice President Commercial Lending Pete Davis contacted Douglas Johnson, Whitefish's Vice President Member Business Loan Officer, and inquired as to whether Whitefish would be interested in taking over one of their commercial loans. Mr. Davis walked the Glacier Bank's file covering the Thornton's loan to Whitefish. In conversations with Mr. Johnson, Glacier Bank's Pete Davis and Bill Paullin, in charge of Glacier Bank's construction loans, both gave the Thorntons a positive reference regarding their "excellent credit and an excellent relationship with Glacier Bank." In retrospect, for whatever reason(s) Glacier Bank wanted the Thorntons loan off their books and Whitefish was a likely financial institution to take their loan. Whitefish staff was so anxious to make the Thornton's loan that they did not order a new appraisal and did not even interview the Thorntons face to face as required by Whitefish's Lending Policies Version 3.7. It is not known if other requirements of Whitefish's Lending Policies were ignored. Even if Whitefish had followed each and every requirement of their lending

policies there is no indication that there were any reasons for them to not grant the Thornton's loans.

In subsequent conversations with Whitefish, the Thorntons conveyed their strong feelings that they wanted approval of a loan totaling \$7.2 million, an amount that would pay off the Glacier Bank loan and leave sufficient funding to complete the development. Doug Johnson indicated that he wish he had known that Thorntons wanted \$7.2 million approved because he could have gotten the Thornton's the full amount. For whatever reason, Johnson was hesitant to go back to the appropriate committee and satisfied the Thorntons' concerns about financing to complete the project with a verbal commitment to provide sufficient funding to finance the entire project (Deposition of Dennis Thornton pages 223 – 224). With that commitment the Thorntons continued their discussions with Whitefish. Mr. Johnson then indicated he wanted additional collateral in addition to the current development property. The Thorntons then put up 200 acres as additional collateral, but with the stipulation that Whitefish would subordinate their lien up to \$500,000, if the Thorntons needed money for other purposes (Douglas Johnson deposition Page 30). In a letter dated March 21, 2009 printed on Whitefish letterhead and signed by Douglas Johnson, Whitefish's Vice President Member Business Loan Officer, who was empowered to commit Whitefish to the general terms of the financing Arrangement, contained in the letter which included among other terms, Subordination Agreement: Whitefish Credit Union will subordinate its first lien position on the 200 acre tract up to an amount of \$500,000 without additional committee approval for income producing projects undertaken by the borrower.

Thorntons were granted a MBL on or about March 15, 2009 with the full understanding that additional funds would be provided by Whitefish to complete the project and with a subordination agreement that would allow the Thorntons to borrow up to \$500,000 on that property as needed for income producing projects undertaken by the borrower (Thorntons) without additional committee approval at Whitefish and Whitefish would subrogate their lien to such a transaction.

It is important to note that this loan was disbursed prior to regulatory pressure to cease making such loans (Deposition of Douglas Johnson page 27) and appears to have been prior to the Board's policy not to advance any new funds to Member Business Loans until circumstances were worked out that were causing a problem.

Within months of the Thorntons receiving their loan, the Whitefish Board enacted a policy later in 2009 of not loaning any more money on development loans until circumstances were worked out that were causing a problem. (Deposition of Randy Cogdill Page 20) Newly hired CEO Jim Kenyon adopted perhaps a more restrictive policy of no additional money to Member Business Loans (Deposition of Randy Cogdill deposition Page 24). As mentioned earlier in this report, it is important to note that borrowers with Member Business Loans, including the Thorntons (Deposition of Jim Kenyon Page 14), were not notified by Whitefish that they would not be loaning any more money on development loans, including existing loans (Deposition of Randy Cogdill Page 24.) For whatever reason Whitefish did not want Member Business Loan borrowers to know that they were cutting off their loans! Had Whitefish notified the Thorntons in late 2009 that they would no longer advance any additional money when

their loan that would become due on or around March 15, 2011, the Thorntons could have sought financing from other sources at a time when their loan was current and the property was being actively developed. As late as 2011 Whitefish CEO Jim Kenyon reported that the property, "had great views. Also, as I said, that it was very well-groomed. I mean there wasn't anything out of place. It was a gorgeous piece of property" (Deposition of Jim Kenyon page 42).

As the Thornton's original loan matured on or about March 15, 2011, Whitefish staff never contacted the Thorntons. Not only did Whitefish never contact the Thorntons, but as the maturity date neared the Thorntons were unsuccessful in getting Whitefish staff to return calls or emails requesting a meeting (Deposition of Dennis Thornton page 35). It was only after the Thorntons communicated to Whitefish's CEO Jim Kenyon, on the advice of their Counsel, that they were coming to the Whitefish headquarters and would sit in the office until he met with them, were they successful in meeting with the CEO of Whitefish.

The Thorntons had complied with all of their obligations in their dealings with Whitefish, (Deposition of Douglas Johnson Page 18).

Apparently Whitefish had an appraisal done of the development which failed to give any value to the improvements that had been made over the last several years. It was estimated by Dennis Thornton that the development was approximately 85% complete (Deposition of Dennis Thornton page 31).

Not only was Whitefish not notifying Member Business Loan borrowers of its policy not to advance any new money on such projects, but apparently Whitefish's Member Business Loan Department was having additional operational issues as shown by CEO Jim Kenyon and other staff not being aware of the subordination agreement contained in the Letter dated March 11, 2009 from Whitefish Credit Union's Vice President Member Business Loan Officer Doug Johnson to the Thorntons that contained the general terms of the financing arrangements including the Subordination Agreement. (Deposition of Jim Kenyon pages 97 and 98). Mr. Thornton's attorney furnished Whitefish a copy of the subordination agreement. While the subordination agreement called for up to \$500,000 in additional working capital for addition income producing projects without further approval from Whitefish, (underline added for emphasis) the Thorntons went above and beyond the requirements of the subordination agreement and traveled to North Dakota and commenced to explore additional project(s) that could have proven to be extremely profitable. Each and every proposed project was dismissed by Whitefish.

Not only was Whitefish not loaning any additional money, they were not willing to honor their subordination agreement. Whitefish clearly committed not only a verbal agreement to finance the entire project to a total of approximately \$7 million, but also committed a Breach of a Written Contract involving the loaning of \$500,000 and subordination of their lien as shown in the March 11, 2009 Whitefish letter outlining the general terms of the financing agreement signed by Doug Johnson, Vice President, Member Business Loan Officer. Suddenly Whitefish demanded a Marketing Plan for the development that was at least several years before completion (Deposition of Jim Kenyon page 79). Whitefish is another example of a large credit union getting involved

in relatively large member business loans, not knowing what they were doing and then suddenly cutting the borrowers off at the knees by failing to provide agreed upon financing, totally disregarding the disastrous financial impact on commercial loan borrowers, their projects and employees.

Dictates from the Whitefish Board of Directors, CEO Jim Kenyon and the regulators not to advance any additional funding to Member Business Loans did NOT permit Whitefish and its staff to violate usual and customary commercial lending procedures and existing legally binding written contracts and agreements and, in some instances, binding verbal commitments and agreements. Whitefish should have sought legal advice from their counsel and worked with the regulators to develop workout plans that would comply with all legal requirements while at the same time eventually leading to the desired reductions in Whitefish's commercial loan portfolio. An orderly planned approach over time could have been developed that met all existing legal obligations and would eventually reduce Whitefish's Member Business Loan portfolio to within the limits desired by Whitefish and the regulators. To hide behind the regulatory dictate is very amateurish. Whitefish is a billion dollar asset credit union and should have conducted their business accordingly.

As time passed the Thorntons, without the ability to obtain additional funding from Whitefish, naturally became "delinquent" on their loan and were unsuccessful in refinancing the loan elsewhere. In a letter dated October 25, 2011 the Thorntons wrote to Mr. Pete Davis, Vice – President of Commercial Loan Department Glacier Bank requesting a working capital line of credit union for \$500,000 secured by the 200 acres on Boon Road that Whitefish was legally bound to subordinate their lien. In a letter

dated November 9, 2011 from Pete Davis the Thorntons were informed Glacier Bank was unable to grant the Thornton's request for a \$500,000 line of credit. In the Statement of Credit Denial, Termination, or Change for Business Credit three principal reasons were given for the Credit Denial (Inadequate business sales and/or earnings history, Lack of established earnings record and Uncertainty over situation at WFCU regarding large subdivision loan and how that could impact future debt servicing requirement).

As mention earlier, as late as 2011 Jim Kenyon reported that the property, "had great views. Also, as I said, that it was very well-groomed. I mean there wasn't anything out of place. It was a gorgeous piece of property" (Deposition of Jim Kenyon page 42). In a self fulfilling prophecy, without the funds, the project eventually fell into disrepair and suddenly Whitefish sent experts to the development and reported back that the stone walls and roads were deteriorating and were not built to industry standards.

In summary, it is my professional opinion based on my 48 years in the credit union industry (33 years as a regulator and 15 years as a consultant), that Whitefish clearly committed and violated not only a verbal agreement to finance the entire Thornton project to a total of approximately \$7 million, but also committed a Breach of a Written Contract involving the loaning of \$500,000 and subordination of their lien as shown in the March 11, 2009 Whitefish letter outlining the general terms of the financing agreement signed by Doug Johnson, Whitefish's Vice President, Member Business Loan Officer to the Thorntons and usual and customary procedures dealing with Member Business Loans. As a large billion dollar asset credit union, the Whitefish

Board of Directors and Senior Staff knew or should have known how to reduce their Member Business Loan Portfolio. No doubt their handling of this issue created unnecessary financial hardship for impacted borrowers, such as the Thorntons, their employees and the inability of these borrowers to enjoy the profits that a fully completed development would have provided.

I reserve the right to supplement this opinion as new information may become available.

Allen Carver

ATTACHMENT A

In addition to drawing on my own professional experience and training, I have reviewed the following documents as related to Whitefish Credit Union (WCU) vs Thorco, Inc. et al:

Defendants' Amended Answer and Counter Claim to Plaintiff's Complaint for Foreclosure

Deposition of Jim Kenyon

Deposition of Randy Cogdill

Deposition of Douglas Johnson

WCU Redacted Board Meetings Minutes 2.18.09, 2.24.09, 4.10.09, 5.19.09, 5.28.09, 6.17.09, 4.20.10, 5.19.10, 6.16.10

Emails to/from Attorneys Rich DeJana and Ryan Purdy: 8.10.11, 8.11.11, 8.17.11, 8.18.11 DeJana (Thornton) and Purdy (WCU). 9.19.11, 9.20.11, 9.29.11, 9.30.11, 10.19.11, 1.4.12, 1.19.12.

WCU Allowance for Loan Loss Policy (Board approved 7.20.11)

WCU Collection Guidelines (Revised 9.20.10)

WCU Collection Guidelines (Revised 2.16.11)

WCU Consumer Lending Policy (Dated 1.20.10)

WCU Consumer Lending Policy (Board approved 6.22.11)

WCU Consumer Lending Program General Guidelines (Dated 1.20.10)

WCU Consumer Lending Program General Guideline modification notes (undated)

WCU Consumer Loan (Non-Real Estate) Procedure (Dated 1.27.10),
Foreclosure/OREO Procedure (Dated 6.22.10)

WCU Member Business Loan (MBL) Procedures (Version 3.7) WCU MBL Procedures undated

WCU General Statement 1. Loan Application Process.

WCU Member Business Loan Policy (Revised 6.17.09)

WCU Member Business Loan Policy (Board approved 6.22.01)

WCU Loan Modification Guidelines (Dated 3.4.10)

WCU Loan Policy (Revised 4.15.09)

WCU Loan Policy (Revised 5.20.09)

WCU Real Estate Loan Guidelines 2.9.10

WCU Loan Policy (Board approved 12.14.11)

WCU Real Estate Procedure (Dated 9.20.10)

WCU Real Estate Lending Policy (Dated 2.16.11).

WCU Reviewed Google Scholar Recent Delta Community CU Similar Lawsuit.

Letter from Attorney Manley to Allen Carver dated June 14, 2013

WCU Commitment Letter of March 11, 2009 (Includes Subordination Agreement)

WCU Promissory Note of March 16, 2009 and Real Estate Mortgage on 200 acres March 3.10.2009, Guaranty Agreement March 19, 2009

Deposition of Dennis Thornton

James Manley, attorney Thorntons' Motion for Partial Summary Judgment prepared in October 2013.

Disclosure List of Defendant's Expert Witnesses

WCU Call Reports sent to the National Credit Union Administration effective dates March 31, 2003, March 31, 2006, March 31, 2009, March 31, 2011 and September 30, 2013.

Letter dated October 25, 2011 from Dennis Thornton in his capacity as President of Thorco, Inc. to Pete Davis, Vice-President, Commercial Loan Department of Glacier Bank.

Letter dated November 9, 2011 from Peter J. Davis, VP/Commercial Loan Department to Thorco, Inc.

Statement of Credit Denial from Glacier Bank dated November 9, 2011 to Thorco, Inc.