

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

STATE OF FLORIDA

OFFICE OF FINANCIAL REGULATION

TALLAHASSEE, FLORIDA

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In the Matter of	)	
	)	
SUNSHINE STATE COMMUNITY BANK	)	ORDER TO
PORT ORANGE, FLORIDA	)	CEASE AND DESIST
	)	
(INSURED STATE NONMEMBER BANK)	)	FDIC-09-324b
	)	OFR 0656-FI-07/09

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Sunshine State Community Bank, Port Orange, Florida (“Bank”), having been advised of its right to a NOTICE OF CHARGES AND OF HEARING detailing the unsafe or unsound banking practices and violations of law and/or regulations alleged to have been committed by the Bank and of its right to a hearing on the alleged charges under section 8(b)(1) of the Federal Deposit Insurance Act (“Act”), 12 U.S.C. § 1818(b)(1), and under Chapter 120 and Section 655.033, Florida Statutes, and having waived those rights, entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER TO CEASE AND DESIST (“CONSENT AGREEMENT”) with a representative for the Legal Division of the Federal Deposit Insurance Corporation (“FDIC”) and the Director (“Director”) for the Division of Financial Institutions of the Florida Office of Financial Regulation (“OFR”), dated September 10, 2009, whereby solely for the purpose of this proceeding and without admitting or denying the alleged charges of unsafe or unsound banking practices and violations of law and/or regulations, the Bank

consented to the issuance of an ORDER TO CEASE AND DESIST (“ORDER”) by the FDIC and the OFR (hereinafter referred to as “Supervisory Authorities”).

The Supervisory Authorities considered the matter and determined that they have reason to believe that the Bank has engaged in unsafe or unsound banking practices and has committed violations of law and/or regulations. The Supervisory Authorities, therefore, accepted the CONSENT AGREEMENT and issued the following:

**ORDER TO CEASE AND DESIST**

IT IS HEREBY ORDERED, that the Bank, its institution-affiliated parties, as that term is defined in section 3(u) of the Act, 12 U.S.C. § 1813(u), and section 655.005(1)(i), Florida Statutes, and its successors and assigns cease and desist from the following unsafe and unsound banking practices and violations of law and/or regulation:

- (a) operating with a Board of Directors (“Board”) that has failed to provide adequate supervision over and direction to the management of the Bank;
- (b) operating with management whose policies and practices are detrimental to the Bank and jeopardize the safety of its deposits;
- (c) operating with inadequate equity capital in relation to the volume and quality of assets held by the Bank and the risk profile of the Bank;
- (d) operating with an excessive volume of adversely classified assets;
- (e) following hazardous lending and lax collection policies and practices;
- (f) operating with inadequate allowance for loan and lease losses (“ALLL”);
- (g) operating with inadequate provisions for liquidity and funds management;
- (h) operating with inadequate policies and procedures to monitor and control risks within concentrations of credit in the Bank’s loan portfolio;

- (i) operating in such a manner as to produce operating losses;
- (j) operating with an inadequate strategic plan and budget;
- (k) operating in violation of laws and/or regulations and in contravention of statements of policy as more fully described on pages 15 and 16 of the Report of Examination of the Bank dated April 13, 2009 (“Report”).

IT IS FURTHER ORDERED, that the Bank, its institution-affiliated parties, and its successors and assigns, take affirmative action as follows:

**BOARD OF DIRECTORS**

1. (a) Beginning with the effective date of this ORDER, the Board shall increase its participation in the affairs of the Bank, assuming full responsibility for the approval of sound policies and objectives and for the supervision of all of the Bank’s activities, consistent with the role and expertise commonly expected for directors of banks of comparable size. This participation shall include meetings to be held no less frequently than monthly at which, at a minimum, the following areas shall be reviewed and approved: reports of income and expenses; new, overdue, renewal, insider, charged-off, and recovered loans; investment activity; operating policies; and individual committee actions. Board minutes shall document these reviews and approvals, including the names of any dissenting directors.

(b) Within 30 days from the effective date of this ORDER, the Board shall establish a Board committee (“Directors’ Committee”), consisting of at least five members, to oversee the Bank’s compliance with the ORDER. A majority of the members of the Directors’ Committee shall be independent directors of the Bank. The Directors’ Committee shall receive from Bank management monthly reports detailing the Bank’s actions with respect to compliance with the ORDER. The Directors’ Committee shall present a report detailing the Bank’s adherence to the

ORDER to the Board at each regularly scheduled Board meeting. Such report shall be recorded in the appropriate minutes of the Board's meeting and shall be retained in the Bank's records. Establishment of this committee does not in any way diminish the responsibility of the entire Board to ensure compliance with the provisions of this ORDER.

### **MANAGEMENT**

2. Within 60 days of the effective date of this ORDER, the Bank shall have and retain qualified management.

(a) Each member of management shall have qualifications and experience commensurate with his or her duties and responsibilities at the Bank. Management shall include the chief executive officer, senior lending officer, and chief financial officer. All management officials shall have an appropriate level of experience and expertise that is needed to perform his or her duties. Each member of management shall be provided appropriate written authority from the Bank's Board to implement the provisions of this ORDER.

- (b) The qualification of management shall be assessed on their ability to:
- (i) comply with the requirements of this ORDER;
  - (ii) operate the Bank in a safe and sound manner;
  - (iii) comply with applicable laws and regulations; and
  - (iv) restore all aspects of the Bank to a safe and sound condition, including asset quality (e.g. upgrading a low quality loan portfolio), capital adequacy, earnings, risk management, loan underwriting, appraisals, management effectiveness, liquidity, and sensitivity to market risk.

(c) During the life of this ORDER, the Bank shall notify the Supervisory Authorities in writing of the resignation or termination of any Bank's directors or senior executive officers within 15 days of the event.

(d) During the life of this ORDER, the Bank shall provide written notice to the Supervisory Authorities when it proposes to add any individual to the Bank's Board or employ any individual as a senior executive officer as that term is defined in Part 303 of the FDIC's Rules and Regulations, 12 C.F.R. § 303.101, or executive officer as that term is defined and applied in Chapter 655 and Section 655.0385, Florida Statutes, and Rule 69U-100.03852, Florida Administrative Code. The notification to the Supervisory Authorities shall comply with the requirements set forth in 12 C.F.R. Part 303, Subpart F, and Rule 69U-100.03852, Florida Administrative Code. The notification shall include a description of the background and experience of the individual or individuals to be added or employed and must be received at least 60 days before such addition or employment is intended to become effective. If the Regional Director or OFR issues a notice of disapproval pursuant to section 32 of the Act, 12 U.S.C. § 1831i, or section 655.0385(2) or (3), Florida Statutes, with respect to any proposed individual, then such individual shall not be added or employed by the Bank.

(e) During the life of this ORDER, the Bank shall not enter into any new management contracts without prior notification and approval of the Supervisory Authorities.

(f) Within 30 days from the effective date of the Order, the Board shall develop and adopt an educational program for the periodic training of each member of the Board. Following the effective date of the Order, and for the first twelve-month period, thereafter, each member of the Board shall receive a minimum of 12 hours training with respect to their service as directors. At a minimum, the educational program and training shall address and include the following:

- (i) specific training in the duties and responsibilities of the Board in connection with the safe and sound operation of the Bank, including the annual evaluation of the performance of the Bank's executive officers; and
- (ii) specific training in the areas of lending (specifically commercial real estate lending and guidance), loan underwriting, conducting independent internal loan review programs, and the evaluation of the ALLL.

The Board shall notify the Supervisory Authorities within 30 days upon successful completion of the required training. The Board shall document the training activities in the minutes of the Board meeting following the completion of the training. The Board's actions as required by this paragraph shall be satisfactory to the Supervisory Authorities as determined at subsequent examinations and /or visitations.

### **CAPITAL**

3. (a) Within 90 days from the effective date of this ORDER, the Bank shall have Tier 1 Capital in such amount as to equal or exceed 8 % of the Bank's total assets and total risk based capital in such an amount as to equal or exceed 12 % of the Bank's total risk weighted assets. Thereafter, the Bank shall maintain Tier 1 Capital and total risk based capital ratios equal to or exceeding 8 % percent and 12 % percent, respectively, during the life of this ORDER. Tier 1 Capital and total risk based capital ratios shall be calculated at the end of each calendar quarter utilizing the definitions contained in 12 C.F.R. § 325.2. In the event these capital ratios fall below the required percentages at the end of any calendar quarter, the Bank shall notify the Supervisory Authorities of the capital deficiency within ten days and shall increase capital by an amount sufficient to raise the ratio to the required percentages prior to the next quarter end.

(b) The level of Tier 1 Capital and total risk based capital to be maintained during the life of this ORDER pursuant to paragraph 3(a) shall be in addition to a fully funded ALLL, the adequacy of which shall be satisfactory to the Supervisory Authorities as determined at subsequent examinations and/or visitations.

(c) Any increase in Tier 1 Capital and total risk based capital necessary to meet the requirements of paragraph 3(a) of the ORDER may be accomplished by the following:

- (i) sale of common stock;
- (ii) sale of noncumulative perpetual preferred stock;
- (iii) direct contribution of cash by the Board, shareholders, and/or parent holding company;
- (iv) any other means acceptable to the Supervisory Authorities; or
- (v) any combination of the above means.

(d) Any increase in Tier 1 Capital necessary to meet the requirements of paragraph 3 of this ORDER shall not be accomplished through a deduction from the Bank's ALLL.

(e) If all or part of any necessary increase in capital required by paragraph 3 of this ORDER is accomplished by the sale of new securities, the Board shall forthwith take all necessary steps to adopt and implement a plan for the sale of such additional securities, including the voting of any shares owned or proxies held or controlled by them in favor of the plan. Should the implementation of the plan involve a public distribution of the Bank's securities (including a distribution limited only to the Bank's existing shareholders), the Bank shall prepare offering materials fully describing the securities being offered, including an accurate description of the financial condition of the Bank and the circumstances giving rise to the offering, and any other material disclosures necessary to comply with any applicable securities laws. Prior to the

implementation of the plan and, in any event, not less than 15 days prior to the dissemination of such materials, the plan and any materials to be used in the sale of the securities shall be submitted to the FDIC, Division of Supervision and Consumer Protection, Accounting and Securities Disclosure Section, 550 17th Street, N.W., Room F-6066, Washington, D.C. 20429, and the Office of Financial Regulation, 200 East Gaines Street, Tallahassee, Florida 32399-0371, for review. Any changes requested to be made in the plan or materials shall be made prior to their dissemination.

(f) For the purposes of this ORDER, the terms “Tier 1 Capital,” “total risk based capital,” “total assets,” and “total risk weighted assets” shall have the meanings ascribed to them in Part 325 of the FDIC’s Rules and Regulations, 12 C.F.R. Part 325.

#### **DIVIDENDS**

4. While this Order is in effect, the Bank shall not declare or pay dividends without the prior written consent of the Supervisory Authorities.

#### **REDUCE CONCENTRATIONS OF CREDIT**

5. Within 60 days from the effective date of this ORDER, the Bank shall perform a risk segmentation analysis with respect to the Concentrations of Credit listed on the Concentrations Page of the Report, and any other concentration deemed important by the Bank. Concentrations should be identified by product type, geographic distribution, underlying collateral or other asset groups, which are considered economically related and in the aggregate represent a large portion of the Bank’s Total Risk Based Capital. The Bank shall develop a written plan approved by its Board and acceptable to the Supervisory Authorities to systematically reduce and monitor the Bank’s level of concentration risk. At a minimum, the plan shall include:



- (a) amounts and percent of Total Risk Based Capital to which the Bank shall reduce each concentration;
- (b) timeframes for achieving the reduction in dollar levels identified in response to paragraph 5(a);
- (c) provisions for the submission of monthly written progress reports to the Board for review and notation in the minutes of its meetings; and
- (d) procedures for monitoring the Bank's compliance with the plan.

### **CHARGE-OFF**

6. (a) Within 30 days from the effective date of this ORDER, the Bank shall eliminate from its books, by charge-off or collection, all assets or portions of assets classified "Loss" and 50 percent of those assets classified "Doubtful" in the Report that have not been previously collected or charged-off unless otherwise approved in writing by the Supervisory Authorities. If an asset classified "Doubtful" is a loan or lease, the Bank may, in the alternative, increase its ALLL by an amount equal to 50 percent of the loan or lease. Elimination of any of these assets through proceeds of other loans made by the Bank is not considered collection for purposes of this paragraph.

(b) Additionally, while this ORDER remains in effect, the Bank shall, within 30 days of the receipt of any future report of examination or visitation of the Bank from the Supervisory Authorities, eliminate from its books, by collection, charge-off, or other proper entries, the remaining balance of any assets classified "Loss" and 50 percent of those classified "Doubtful" unless otherwise approved in writing by the Supervisory Authorities. Elimination of any of these assets through proceeds of other loans made by the Bank is not considered collection for purposes of this paragraph.

## **REDUCTION OF CLASSIFIED ASSETS**

7. (a) Within 45 days from the effective date of this ORDER, the Bank shall formulate a written plan to reduce the Bank's risk exposure on each asset in excess of \$200,000 classified "Substandard" or "Doubtful" in the Report, including ORE. For purposes of this paragraph, "reduce" means to collect, charge off, or improve the quality of an asset so as to warrant its removal from adverse classification by the Supervisory Authorities. In developing the plan mandated by this paragraph, the Bank shall, at a minimum, and with respect to each adversely classified loan, review, analyze, and document the financial position of the borrower, including source of repayment, repayment ability, and alternative repayment sources, as well as the value and accessibility of any pledged or assigned collateral, and any possible actions to improve the Bank's collateral position.

(b) In addition, the written plan mandated by this paragraph shall also include, but not be limited to, the following:

- (i) a quarterly schedule for reducing the outstanding dollar amount of each adversely classified asset;
- (ii) a schedule showing, on a quarterly basis, the expected consolidated balance of all adversely classified assets, and the ratio of the consolidated balance to the Bank's projected Tier 1 Capital plus the ALLL;
- (iii) a provision for the Bank's submission of monthly written progress reports to its Board; and
- (iv) a provision mandating Board review of the progress reports, with a notation of the review recorded in the Board minutes.

(c) The plan mandated by this paragraph shall further require a reduction in the aggregate balance of assets classified “Substandard” and “Doubtful” in the Report in accordance with the following schedule. For purposes of this paragraph, “days” means number of days from the effective date of this ORDER.

- (i) within 90 days, a reduction of ten percent (10%) in the balance of assets classified “Substandard” or “Doubtful.”
- (ii) within 180 days, a reduction of twenty percent (20%) in the balance of assets classified “Substandard” or “Doubtful.”
- (iii) within 360 days, a reduction of forty percent (40%) in the balance of assets classified “Substandard” or “Doubtful.”
- (iv) within 540 days, a reduction of sixty percent (60%) in the balance of assets classified “Substandard” or “Doubtful.”
- (v) within 720 days, a reduction of seventy-five percent (75%) in the balance of assets classified “Substandard” or “Doubtful.”

(d) The requirements of paragraph 7(c) do not represent standards for future operations of the Bank. Following compliance with the above reduction schedule, the Bank shall continue to reduce the total volume of adversely classified assets. The plan shall include a provision for increasing Tier 1 Capital when necessary to achieve the prescribed ratio.

(e) Within 45 days from the effective date of this ORDER, the Bank shall submit the written reduction plan to the Supervisory Authorities for review and comment. Within 30 days from receipt of any comment from the Supervisory Authorities, and after due consideration of any recommended changes, the Bank shall approve the plan, which approval shall be recorded in

the minutes of the meeting of the Board. Thereafter, the Bank shall implement and fully comply with the plan.

### **ALLOWANCE FOR LOAN AND LEASE LOSSES**

8. (a) Within 30 days from the effective date of this ORDER, the Bank shall properly fund its ALLL and address the deficiency in funding noted on the Examination Conclusions and Comments Pages of the Report, and conform with applicable guidance and regulations.

(b) Within 45 days from the effective date of this ORDER, the Board shall establish a comprehensive policy for determining the adequacy of the ALLL. For the purpose of this determination, the adequacy of the ALLL shall be determined after the charge-off of all loans or other items classified "Loss". The policy shall provide for a review of the ALLL at least once each calendar quarter, in order that the findings of the Board with respect to the ALLL may be properly reported in the quarterly Reports of Condition and Income. The review should focus on the results of the Bank's internal loan review, loan and lease loss experience, trends of delinquent and non-accrual loans, an estimate of potential loss exposure of significant credits, concentrations of credit, and present and prospective economic conditions. A deficiency in the ALLL shall be remedied in the calendar quarter it is discovered, prior to submitting the Report of Condition, by a charge to current operating earnings. The minutes of the Board meeting at which such review is undertaken shall indicate the results of the review. The Bank's policy for determining the adequacy of the ALLL and its implementation shall be satisfactory to the Supervisory Authorities as determined at subsequent examinations or visitations.

### **INTERNAL LOAN GRADING**

9. Within 45 days from the effective date of this ORDER, the Bank shall adopt an effective internal loan review and grading system to provide for the periodic review of the Bank's loan

portfolio in order to identify and categorize the Bank's loans on the basis of credit quality. Such system and its implementation shall be satisfactory to the Supervisory Authorities as determined at subsequent examinations and/or visitations. At a minimum, the grading system shall provide for the following:

- (a) specification of standards and criteria for assessing the credit quality of the Bank's loans;
- (b) application of loan grading standards and criteria to the Bank's loan portfolio;
- (c) categorization of the Bank's loans into groupings based on the varying degrees of credit and other risks that may be presented under the applicable grading standards and criteria;
- (d) identification of any loan that is not in conformance with the Bank's loan policy;
- (e) identification of any loan which presents any unsafe or unsound banking practice or condition or is otherwise in violation of any applicable State or Federal law, regulation, or statement of policy; and
- (f) requirement of a written report to be made to the Board, not less than quarterly after the effective date of this ORDER. The report shall identify the status of those loans that exhibit credit and other risks under the applicable grading standards/criteria and the prospects for full collection and/or strengthening of the quality of any such loans.

**RESTRICTIONS ON ADVANCES TO ADVERSELY CLASSIFIED BORROWERS**

10. (a) Beginning with the effective date of this ORDER, the Bank shall not extend, directly or indirectly, any additional credit to, or for the benefit of, any borrower who has a loan or other extension of credit from the Bank that has been charged off or classified, in whole or in part, "Loss" or "Doubtful" and is uncollected. The requirements of this paragraph shall not

prohibit the Bank from renewing (after collection in cash of interest due from the borrower) any credit already extended to any borrower.

(b) Additionally, as of the effective date and during the life of this ORDER, the Bank shall not extend, directly or indirectly, any additional credit to, or for the benefit of, any borrower who has a loan or other extension of credit from the Bank that has been classified, in whole or part, “Substandard” and is uncollected.

(c) Paragraph 10(b) shall not apply if the Bank’s failure to extend further credit to a particular borrower would be detrimental to the best interests of the Bank. Prior to the extending of any additional credit pursuant to this paragraph, either in the form of a renewal, extension, or further advance of funds, such additional credit shall be approved by a majority of the Board or a designated committee thereof, who shall certify in writing as follows:

- (i) why the failure of the Bank to extend such credit would be detrimental to the best interests of the Bank;
- (ii) that the Bank’s position would be improved thereby; including an explanatory statement of how the Bank’s position would be improved; and
- (iii) an appropriate workout plan has been developed and will be implemented in conjunction with the additional credit to be extended.

(d) The signed certification shall be made a part of the minutes of the Board or its designated committee and a copy of the signed certification shall be retained in the borrower’s credit file.

### **LENDING AND COLLECTION POLICIES**

11. Within 90 days from the effective date of this ORDER, the Bank shall revise, adopt, and implement a written lending, underwriting and collection policy to provide effective guidance

and control over the Bank's lending function, which policy shall include, at a minimum, revisions to address criticisms and recommendations enumerated on pages 2, 3, 11 and 12 of the Report pertaining to loan underwriting and administration as well as commercial real estate lending and the internal grading system. In addition, the Bank shall obtain adequate and current documentation for all loans in the Bank's loan portfolio. Such policy and its implementation shall be in a form and manner acceptable to the Supervisory Authorities as determined at subsequent examinations and/or visitations.

### **LIQUIDITY AND FUNDS MANAGEMENT POLICY**

12. (a) Within 60 days from the effective date of this ORDER, the Bank shall adopt and implement a written plan addressing liquidity, contingent funding, interest rate risk, and asset liability management and to reduce the Bank's dependency on volatile liabilities.

(b) The plan shall incorporate the guidance contained in Financial Institutions Letter 84-2008, dated August 26, 2008, entitled Liquidity Risk Management. The plan shall provide restrictions on the use of brokered and Internet deposits consistent with safe and sound banking practices.

(c) A copy of the plan shall be submitted to the Supervisory Authorities upon its completion for review and comment. Within 30 days from the receipt of any comments from the Supervisory Authorities, the Bank shall incorporate those recommended changes. Thereafter, the Bank shall implement and follow the plan, and its implementation shall be in a form and manner acceptable to the Supervisory Authorities as determined at subsequent examinations or visitations.

### **BROKERED DEPOSITS**

13. During the life of this ORDER, the Bank shall not accept, renew, or rollover brokered deposits without obtaining a brokered deposit waiver approved by the FDIC pursuant to section 29 of the Act, 12 U.S.C. § 1831f. For purposes of this ORDER, brokered deposits are defined as described in Section 337.6(a)(2) of the FDIC's Rules and Regulations, 12 C.F.R. § 337.6(a)(2), to include any deposits funded by third party agents or nominees for depositors, including deposits managed by a trustee or custodian when each individual beneficial interest is entitled to a right to federal deposit insurance.

### **PLAN FOR EXPENSES AND PROFITABILITY**

14. (a) Within 60 days from the effective date of this ORDER, the Bank shall formulate and fully implement a written plan and a comprehensive budget for all categories of income and expense. The plan and budget required by this Paragraph shall include formal goals and strategies, consistent with sound banking practices and taking into account the Bank's other written policies, to improve the Bank's net interest margin, increase interest income, reduce discretionary expenses, control overhead, and improve and sustain earnings of the Bank. The plan shall include a projected balance sheet and a description of the operating assumptions that form the basis for and adequately support major projected income and expense components. Thereafter, the Bank shall formulate such a plan and budget by November 30 of each subsequent year. The plan and budget required by paragraph 14(a) of this ORDER shall be acceptable to the Supervisory Authorities as determined at subsequent examinations and/or visitations.

(b) Following the end of each calendar quarter, the Board shall evaluate the Bank's actual performance in relation to the plan and budget required by paragraph 14(a) of this



ORDER and shall record the results of the evaluation, and any actions taken by the Bank in the minutes of the Board meeting at which such evaluation is undertaken.

#### **WRITTEN STRATEGIC PLAN**

15. Within 60 days from the effective date of this ORDER, the Bank shall prepare and submit to the Supervisory Authorities its written strategic plan consisting of long-term goals designed to improve the condition of the Bank and its viability and strategies for achieving those goals. The plan shall be in a form and manner acceptable to the Supervisory Authorities, but at a minimum shall cover three years and provide specific objectives for asset growth, market focus, earnings projections, capital needs, and liquidity position.

#### **VIOLATIONS OF LAW AND CONTRAVENTIONS OF STATEMENTS OF POLICY**

16. Within 60 days from the effective date of this ORDER, the Bank shall correct all violations of law and regulations, as well as all contraventions of FDIC Statements of Policy which are more fully set out on pages 15 and 16 of the Report. In addition, the Bank shall take all necessary steps to ensure future compliance with all applicable laws, regulations and statements of policy.

#### **DISCLOSURE**

17. Following the effective date of this ORDER, the Bank shall send to its shareholders and the shareholders of Sunshine Bankshare, Inc. or otherwise furnish a description of this ORDER (i) in conjunction with the Bank's next shareholder communication or (ii) also in conjunction with its notice or proxy statement preceding the Bank's next shareholder meeting. The description shall fully describe the ORDER in all material respects. The description and any accompanying communication, statement, or notice shall be sent to the FDIC, Division of

Supervision and Consumer Protection, Accounting and Securities Disclosure Section, 550 17<sup>th</sup> Street, N.W., Room F-6066, Washington, D.C. 20429 and to the Director, Division of Financial Institutions, of the OFR, 200 East Gaines Street, Tallahassee, Florida 32399-0371, for review at least twenty (20) days prior to dissemination to shareholders. Any changes requested to be made by the FDIC or OFR shall be made prior to dissemination of the description, communication, notice, or statement.

### **PROGRESS REPORTS**

18. (a) Within 30 days of the end of the first quarter following the effective date of this ORDER, and within 30 days of the end of each quarter thereafter, the Bank shall furnish written progress reports to the Supervisory Authorities detailing the form and manner of any actions taken to secure compliance with this ORDER and the results thereof. Such written reports shall provide cumulative detail of the Bank's progress toward achieving compliance with each provision of the ORDER. The reporting requirements shall continue for the life of this ORDER unless modified or terminated in writing by both Supervisory Authorities.

(b) All progress reports and other written responses to this ORDER shall be reviewed by the Board and be made a part of the minutes of the appropriate Board meeting.

This ORDER shall become effective immediately from the date of its issuance. The provisions of this ORDER shall remain effective and enforceable except to the extent that, and until such time as, any provisions of this ORDER shall have been modified, terminated,

suspended, or set aside by the FDIC.

Pursuant to delegated authority.

Dated at Atlanta, Georgia, this 21st day of September, 2009.

\_\_\_\_\_/s/\_\_\_\_\_  
Doreen R. Eberley  
Acting Regional Director,  
Division of Supervision and Consumer Protection  
Atlanta Region  
Federal Deposit Insurance Corporation

The Commissioner of the Florida Office of Financial Regulation having duly approved the foregoing ORDER, and the Bank, through its Board, having agreed that the issuance of said ORDER by the FDIC shall be binding as between the Bank and the OFR to the same degree and legal effect that such ORDER would be binding upon the Bank if the OFR had issued a separate order that included and incorporated all of the provisions of the foregoing ORDER pursuant to Chapters 120, 655, and 658, Florida Statutes.

Dated this 21st day of September, 2009.

\_\_\_\_\_/s/\_\_\_\_\_  
Linda B. Charity  
Director, Division of Financial  
Institutions  
Office of Financial Regulation  
By Delegated Authority for the  
Commissioner, Office of Financial  
Regulation