

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

_____)	
In the Matter of)	
MONTGOMERY BANK & TRUST)	ORDER TO
AILEY, GEORGIA)	CEASE AND DESIST
(Insured State Nonmember Bank))	FDIC-09-325b
_____)	

Montgomery Bank & Trust, Ailey, Georgia (“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 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 Commissioner (the “Commissioner”) for the State of Georgia, Department of Banking and Finance (the “Department”), dated September 28, 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 Commissioner (hereinafter referred to as “Supervisory Authorities”). The Commissioner may issue an order to cease and desist pursuant to Official Code of Georgia Annotated § 7-1-91 (1985).

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 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;
- (d) operating with a large volume of poor quality loans;
- (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 in such a manner as to produce insufficient earnings to support operations;
- (i) operating with an inadequate business strategy;
- (j) operating with inadequate information technology practices; and

- (k) operating in violation of laws and/or regulations and in contravention of statements of policy as more fully described on pages 11 and 12 of the Report of Examination of the Bank dated May 4, 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. The Board shall prepare in advance and follow a detailed written agenda for each meeting, including consideration of the actions of any committees. Nothing in the foregoing sentences shall preclude the Board from considering matters other than those contained in the agenda. 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 four members, to oversee the Bank’s compliance with the ORDER. Three of the members of the Directors’ Committee shall not be officers 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. (a) Within 60 days from the effective date of this ORDER, the Bank shall have and retain qualified management with the qualifications and experience commensurate with assigned duties and responsibilities at the Bank. Each member of management shall be provided appropriate written authority from the Bank's Board to implement the provisions of this ORDER.

At a minimum, management shall include the following:

- (i) a chief executive officer with proven ability in managing a bank of comparable size and in effectively implementing lending, investment and operating policies in accordance with sound banking practices;
 - (ii) a senior lending officer with a significant amount of appropriate lending, collection, and loan supervision experience, and experience in upgrading a low quality loan portfolio; and
 - (iii) a chief operating officer with a significant amount of appropriate experience in managing the operations of a bank of similar size and complexity in accordance with sound banking practices.
- (b) The qualifications of management shall be assessed on its 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, but not limited to, asset quality, capital adequacy, earnings, management effectiveness, risk management, 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 of the Bank's directors or senior executive officers. Prior to the addition of any individual to the Board or the employment of any individual as a senior executive officer, the Bank shall comply with the requirements of Section 32 of the Act, 12 U.S.C. § 1831i, and Subpart F of Part 303 of the FDIC Rules and Regulations, 12 C.F.R. §§ 303.100-303.104 and any State requirement for prior notification and approval.

(d) Within 30 days from the effective date of this ORDER, the Bank shall develop and approve a written analysis and assessment of the Bank's management and staffing needs ("Management Plan") for the purpose of providing qualified management for the Bank. The Management Plan shall include, at a minimum:

- (i) identification of both the type and number of officer positions needed to properly manage and supervise the affairs of the Bank;
- (ii) identification and establishment of such Bank committees as are needed to provide guidance and oversight to active management;
- (iii) annual written evaluations of all Bank officers, and in particular the chief executive officer, chief lending officer, and the chief operating officer, and staff members to determine whether these individuals possess the ability, experience and other qualifications required to perform present and anticipated duties, including, but not limited to, adherence to the Bank's

established policies and practices, and restoration and maintenance of the Bank in a safe and sound condition;

(iv) a plan to recruit and hire any additional or replacement personnel with the requisite ability, experience and other qualifications to fill those officer or staff member positions consistent with the needs identified in the Management Plan; and

(v) an organizational chart.

(e) The written Management Plan shall also include the requirement that the Board, or a committee thereof consisting of not less than a majority of the individuals, who are independent with respect to the Bank, provide supervision over lending, investment and operating policies of the Bank sufficient to ensure that the Bank complies with the provisions of this ORDER.

(f) Such Management Plan and its implementation shall be satisfactory to the Supervisory Authorities.

COMPENSATION REVIEW

3. Within 30 days from the effective date of this ORDER, the Board shall engage a qualified independent consultant, acceptable to the Supervisory Authorities, to assess the appropriateness of all current and deferred compensation paid to each director, including the chairman and vice chairman, in light of each director's competence, responsibilities, performance, and attendance. An analysis of the appropriateness of bonus payments detailed on page 10 of the Report shall also be included. The analysis will include a comparison of such compensation to that of institutions of comparable size and complexity, and, based on the forgoing analyses and comparisons, will identify an appropriate level of compensation for each member of the Board.

Within 10 days of receipt of the consultant's analysis, the Bank will provide a copy to the Supervisory Authorities for review and comment. Within 30 days of receipt of the report, the Board will adopt an appropriate level of compensation (base compensation) that will be submitted to the Supervisory Authorities for review and comment prior to implementation. During the life of this ORDER, director compensation will not increase more than 10 percent from the base compensation or prior year (whichever is later) without the prior written approval of the Supervisory Authorities. For the purpose of this paragraph, "compensate" and "compensation" refers to any and all salaries, bonuses, and other benefits of every kind and nature whatsoever, whether paid directly or indirectly.

CAPITAL

4. (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 8.00 percent of the Bank's total assets and total risk based capital in such an amount as to equal or exceed 10.00 percent 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 8.00 percent and 10.00 percent, respectively, during the life of this ORDER.

(b) The level of Tier 1 Capital and total risk based capital to be maintained during the life of this ORDER pursuant to paragraph 4(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 necessary to meet the requirements of paragraph 4 of this ORDER may not be accomplished through a deduction from the Bank's ALLL. 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 Rules and Regulations, 12 C.F.R. Part 325.

DIVIDENDS

5. The Bank shall not declare or pay dividends without the prior written consent of the Supervisory Authorities for the life of this ORDER.

REDUCE CONCENTRATIONS OF CREDIT

6. 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 page 4 and 19 of the Report. 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 Tier 1 Capital. The Bank shall provide a copy of this analysis to the Supervisory Authorities. The Bank shall develop a plan to reduce any segment of the portfolio which the Supervisory Authorities deem to be an undue concentration of credit in relation to the Bank’s Tier 1 Capital. The plan and its implementation shall be in a form and manner acceptable to the Supervisory Authorities.

CHARGE-OFF

7. (a) Within 10 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. 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.

REDUCTION OF CLASSIFIED ASSETS

8. (a) Within 30 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 \$100,000 classified “Substandard” or “Doubtful” in the Report, including ORE and non-accrual loans. 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 subparagraph, "days" means number of days from the effective date of this ORDER.

- (i) within 180 days, a reduction of twenty-five percent (25%) in the balance of assets classified "Substandard" or "Doubtful."
- (ii) within 360 days, a reduction of forty-five percent (45%) in the balance of assets classified "Substandard" or "Doubtful."
- (iii) within 540 days, a reduction of sixty percent (60%) in the balance of assets classified "Substandard" or "Doubtful."
- (iv) within 720 days, a reduction of seventy-five percent (75%) in the balance of assets classified "Substandard" or "Doubtful."

(d) The requirements of this paragraph 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 may include a provision for increasing Tier 1 Capital when necessary to achieve the prescribed ratio.

(e) Within 30 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. Such plans shall be monitored and progress reports thereon shall be submitted to the Supervisory Authorities at 90-day intervals concurrently with the other reporting requirements set forth in this ORDER.

NO ADDITIONAL CREDIT

9. (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, 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” or “Special Mention” and is uncollected.

(c) Paragraph 9(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 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:

(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.

ALLOWANCE FOR LOAN AND LEASE LOSSES

10. (a) Within 30 days from the effective date of this ORDER, the Bank shall properly fund its ALLL and report compliance with this paragraph to the Supervisory Authorities, addressing the deficiency in funding noted on pages 4 and 5 of the Report and conforming with applicable guidance and regulations.

(b) Within 30 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 incorporate loan grading requirements imposed by this ORDER. The policy shall also provide for a review of the ALLL at least once each calendar quarter. Said review should be completed at least ten (10) days prior to the end of each 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.

IMPLEMENTATION OF LOAN REVIEW

11. Within 60 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, and other extensions of credit which are carried on the Bank's books as loans, on the basis of credit quality. Such system and its implementation shall be satisfactory to the Supervisory Authorities as determined at their initial review and 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, but in no case, will a loan be assigned a rating higher than that assigned by examiners at the last examination of the Bank without prior written notification to the Supervisory Authorities;
- (d) assessment of the likelihood that each loan exhibiting credit and other risks will not be repaid according to its terms and conditions;
- (e) identification of any loan that is not in conformance with the Bank's loan policy;
- (f) 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;

- (g) requirement of a written report to be made to the Board [and audit committee], 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; and
- (h) specific policies governing Bank charge-offs of loans and underlying collateral taken to repay loans.

LENDING AND COLLECTION POLICIES

12. Within 60 days from the effective date of this ORDER, the Bank shall adopt and implement written lending and collection policies to provide effective guidance and control over the Bank's lending function. Such policies and their implementation shall address, but not be limited to, all items of criticism enumerated on pages 2 through 4 and 8 through 10 of the Report and shall be in a form and manner acceptable to the Supervisory Authorities.

LIQUIDITY AND FUNDS MANAGEMENT POLICY

13. (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.

(b) The plan shall incorporate the guidance contained in Financial Institutions Letter ("FIL") 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) The plan shall also establish a strategy to:

- (i) identify, measure, and control the nature and amount of interest rate risk the Bank takes;

- (ii) provide a periodic calculation of interest rate exposure at various time horizons;
- (iii) specify risk limits and target ratios; and
- (iv) define lines of responsibility and authority for managing risk.

(d) 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

14. 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

15. (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 15(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 15(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. The plan and budget required by paragraph 15(a) of this ORDER shall be acceptable to the Supervisory Authorities as determined at subsequent examinations or visitations.

INFORMATION TECHNOLOGY PLAN

16. Within 60 days from the effective date of this ORDER, the Bank shall modify its information technology audit program pursuant to the deficiencies detailed on page 6 of the Report. Within 60 days from the effective date of this ORDER, the Bank shall also modify its information security program pursuant to the deficiencies detailed on page 6 of the Report.

WRITTEN STRATEGIC PLAN

17. (a) Within 60 days from the effective date of this ORDER, the Bank shall prepare and submit to the Supervisory Authorities for review and comment a written business/strategic plan covering the overall operation of the Bank. At a minimum the plan shall establish objectives for the Bank's earnings performance, growth, balance sheet mix, liability structure,

capital adequacy, and reduction of nonperforming and underperforming assets, together with strategies for achieving those objectives. The plan shall also identify capital, funding, managerial and other resources needed to accomplish its objectives. Such plan shall specifically provide for the following:

- (i) goals for the composition of the loan portfolio by loan type including strategies to diversify the type and improve the quality of loans held;
- (ii) goals for the composition of the deposit base including strategies to reduce reliance on volatile and costly deposits;
- (iii) plans for effective risk management and collection practices.

(b) Within 10 days from the receipt of any comments from the Supervisory Authorities, and after due consideration of any recommended changes, the Board shall approve the business/strategic plan, which approval shall be recorded in the minutes of a Board meeting.

VIOLATIONS OF LAW AND

CONTRAVENTIONS OF STATEMENTS OF POLICY

18. 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 11 and 12 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

19. Following the effective date of this ORDER, the Bank shall send to its shareholders or otherwise furnish a description of this ORDER in conjunction with the Bank's next shareholder communication and 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, Registration and Disclosure Section, Washington, D.C. 20429 and the Commissioner, Georgia Department of Banking and Finance, 2990 Brandywine Rd., Suite 200, Atlanta, Georgia 30341-5565, at least fifteen (15) days prior to dissemination to shareholders. Any changes requested to be made by the FDIC and Commissioner shall be made prior to dissemination of the description, communication, notice, or statement.

PROGRESS REPORTS

20. 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 reports shall include a copy of the Bank's Report of Condition and the Bank's Report of Income. Such reports may be discontinued when the corrections required by this ORDER have been accomplished and the Supervisory Authorities have released the Bank in writing from making further reports.

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 6th day of October 2009.

/s/

Doreen R. Eberley
Acting Regional Director
Atlanta Region
Federal Deposit Insurance Corporation

The Georgia Department of Banking and Finance, having duly approved the foregoing ORDER, and the Bank, through its Board, agree that the issuance of said ORDER by the FDIC shall be binding as between the Bank and the Georgia Commissioner of Banking and Finance to the same degree and to the same legal effect that such ORDER would be binding if the Office had issued a separate ORDER that included and incorporated all of the provisions of the foregoing ORDER, pursuant to Official Code of Georgia § 7-1-91 (1985).

Dated this 6th of October, 2009.

/s/

Robert M. Braswell
Commissioner
Department of Banking and Finance
State of Georgia