FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of	)	
	)	CONSENT ORDER
CENTRAL BANK OF GEORGIA ELLAVILLE, GEORGIA	)	
	)	FDIC-09-128b
(INSURED STATE NONMEMBER BANK)	)	

On July 28, 2009, the Federal Deposit Insurance Corporation ("FDIC") issued a NOTICE OF CHARGES AND OF HEARING ("NOTICE") pursuant to section 8(b)(1) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. § 1818(b)(1) to Central Bank of Georgia, Ellaville, Georgia ("Bank"). The Bank, by and through its duly elected Board of Directors ("Board"), has executed a "Stipulation to the Issuance of a Consent Order" ("Stipulation"), dated December 3, 2009, that is accepted by the FDIC and the Commissioner (the "Commissioner") for the State of Georgia, Department of Banking and Finance (the "Department"). With the Stipulation, the Bank has consented, without admitting or denying any charges of unsafe or unsound banking practices or violations of law or regulation relating to weaknesses in capital, asset quality, management, earnings, liquidity or sensitivity to market risk, to the issuance of this Consent Order ("ORDER") by the FDIC and the Department. The Commissioner may issue an order pursuant to Official Code of Georgia Annotated § 7-1-91 (1985)

Having determined that the requirements for issuance of an order under 12 U.S.C. § 1818(b) and Official Code of Georgia Annotated § 7-1-91 (1985) have been satisfied, the FDIC and the Department hereby order that:

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 in relation to the annual budget; new, overdue, renewal, insider, charged-off, and recovered loans; capitalized interest on loans; loans with interest reserves; liquidity; investment activity; interest rate risk; the capital/dividend policy; operating policies; and individual committee actions. Board minutes shall fully 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, responsible for ensuring compliance with the ORDER, overseeing corrective measures with respect to the ORDER, and reporting to the Board. Three of the members of the Directors' Committee shall not be Bank officers. Bank management shall provide the Directors' Committee with 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 and any discussion related to the report or the ORDER shall be recorded in the appropriate minutes of the Board meeting and shall be retained in the Bank's records. Nothing contained herein shall diminish the responsibility of the entire Board to ensure compliance with the provisions of this ORDER.

(c) Within 90 of days from the effective date of this ORDER, the Bank shall add, subject to the approval of the FDIC and the Commissioner for the State of Georgia, Department of Banking and Finance, (collectively, "Supervisory Authorities"), one new independent member to its Board.

(d) Within 60 days from the effective date of this ORDER, the Bank shall designate a Board committee ("Loan Committee") to evaluate and act upon new loans, or other extensions of credit and assess the administration of outstanding loans or other extensions of credit in accordance with the Bank's loan policies as amended in compliance with this ORDER. Independent directors shall comprise a majority of the members of the Loan Committee. The Loan Committee shall maintain written minutes of the committee meetings, included a record and status of the loans considered. All loan committee minutes shall be reviewed by the Board during its next scheduled meeting.

(e) Within 120 days from the effective date of this ORDER, the Board shall undertake a comprehensive review of Bank policies to determine whether they adequately address the needs of the Bank and establish a sound basis for the Bank's operations. All policies shall establish a system to monitor policy compliance and shall require exceptions to be reported to the Board detailing the rationale for deviation from policy. Any revised policies, including subsequent revisions, shall be submitted to the Supervisory Authorities for review and comment.

MANAGEMENT

2. (a) 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, including the technical competence necessary to return the Bank to a satisfactory condition;

(ii) a senior lending officer with a significant amount of appropriate experience in lending, collection, and loan supervision as well as 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;

(iv) a chief credit officer with a significant amount of appropriate experience in supervising the review of loan files for adequacy of credit and collateral documentation, regulatory compliance and loan policy conformance.

(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, 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 officers within 15 days of the event. 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's Rules and Regulations, 12 C.F.R. §§ 303.100 through 303.103 and any requirement of the State of Georgia for prior notification and approval.

(d) Within 60 days from the effective date of this ORDER, the Bank shall commission an independent third party to develop 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) 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;

(v) an organizational chart; and

(vi) within 30 days, the Management Plan shall be submitted to the Supervisory Authorities for review and comment.

LIQUIDITY AND FUNDS MANAGEMENT POLICY

3. (a) Within 60 days from the effective date of this ORDER, the Bank shall adopt and implement a written plan addressing liquidity, contingent funding, and asset liability management. A copy of the plan shall be submitted to the Supervisory Authorities upon its completion for their 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. Annually during the life of this ORDER, the Bank shall review this plan for adequacy and, based upon such review, shall make appropriate revisions to the plan that are necessary to strengthen funds management procedures and maintain adequate provisions to meet the Bank's liquidity needs.

(b) The initial plan shall include, at a minimum:

(i) a limitation on the ratio of the Bank's total loans to assets;

(ii) a limitation of the ratio of the Bank's total loans to funding liabilities;

(iii) identification of a desirable range and measurement of dependence on non-core funding including brokered funds;

(iv) establishment of lines of credit that would allow the Bank to borrow funds to meet depositor demands if the Bank's other provisions for liquidity proved inadequate;

(v) a requirement for retention of sufficient investments that can be promptly liquidated to ensure the maintenance of the Bank's liquidity posture at a level consistent with short-term and long-term objectives;

vi) establishment of contingency plans to restore liquidity to that amount called for in the Bank's liquidity policy; and establishment of limits for borrowing federal funds and other funds, including limits on dollar amounts, maturities, and specified sources/lenders.

(c) Beginning with the effective date of this ORDER, the Bank's management shall review its liquidity position daily to ensure that the Bank has sufficient liquid assets or sources of liquidity to meet current and anticipated liquidity needs. This review shall include an analysis of the Bank's sources and uses of funds (cash flow analysis). The results of this review shall be transmitted to the Supervisory Authorities daily and presented to the Board for review each month, with the review noted in the minutes of the meeting of the Board.

BROKERED DEPOSITS

4. (a) 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 depositors managed by a trustee or custodian when each individual beneficial interest is entitled to a right to federal deposit insurance.

(b) Within 20 days of the effective date of this ORDER, the Bank shall submit to the Supervisory Authorities a written plan for eliminating its reliance on brokered deposits. The plan should contain details as the current composition of brokered deposits by maturity and explain the means by which such deposits will be paid or rolled over. The Supervisory Authorities shall have the right to reject the Bank's plans for utilizing brokered deposits and may request periodic progress reports on the level, source, and use of brokered deposits within the Bank's plan. For purposes of this ORDER, brokered deposits are defined as described in section 337.6 of the FDIC's Rules and Regulations, 12 C.F. R. § 337.6.

CAPITAL

5. (a) Within 60 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 Subparagraph 5(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;

(d) Within 30 days of the effective date of this ORDER, the Bank shall develop and adopt a capital plan that meets the minimum capital requirements set forth in this paragraph. The Bank shall submit the plan to the Supervisory Authorities for review and comment. Any modification to the plan shall be in a form and manner acceptable to the Supervisory Authorities as determined in subsequent examinations and/or visitations. At a minimum, the program shall include:

(i) specific plans to achieve the capital levels required under the plan and this ORDER;

(ii) specific plans for the maintenance of adequate capital that may in no event be less than the requirements of the provisions of this paragraph;

(iii) projections for asset growth and capital requirements, and such projections shall be based upon a detailed analysis of the Institution's current and projected assets, liabilities, earnings, fixed assets, and off-balance sheet activities, each of which shall be consistent with the Bank’s strategic business plan;

(iv) projections for the amount and timing of the capital necessary to meet the Bank's current and future needs;

(v) the primary source(s) from which the Institution will strengthen its capital to meet the Bank's needs;

(vi) contingency plans that identify alternative sources of capital should the primary source(s) under (v) above not be available.

(e) From the effective date of this ORDER, the Bank shall obtain prior written approval from the Supervisory Authorities before engaging in any transaction, other than in the ordinary course of regular banking business, which results in an increase to the Bank's capital accounts.

DIVIDENDS

6. While this ORDER is in effect, the Bank shall not declare or pay any cash dividends without the prior written approval of 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 ROE 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 ITEMS

8. (a) Within 60 days from the effective date of this ORDER, the Bank shall formulate a written plan to reduce the Bank's risk exposure in each asset in excess of $500,000 classified

"Substandard" or "Doubtful" in the ROE. 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;

(iv) a provision for the Bank's submission of monthly written progress reports to its Board; and

(v) 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 ROE 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 (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 60 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) 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 is listed for “Special Mention” and is uncollected.

(c) Subparagraph 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 any additional credit pursuant to this subparagraph, 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 the Loan Committee as designated by the Board, 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

10. (a) Within 60 days from the effective date of this ORDER, the Bank shall develop and/or revise, adopt, and implement written lending and collection policies to provide effective guidance and control over the Bank's lending function and to correct the loan underwriting, credit data, and collateral documentation deficiencies cited in the ROE on pages 25 through 27 . The policies shall also correct the loan administration and loan portfolio management weaknesses detailed on pages 8 through 10 of the ROE. Such policies and their implementation shall be in a form and manner acceptable to the Supervisory Authorities.

(b) The initial revisions to the Bank's loan policy and practices, required by this paragraph, at a minimum, shall include the following:

(i) provisions, consistent with FDIC instructions for the preparation of Reports of Condition and Income, under which the accrual of interest income is discontinued and previously accrued interest is reversed on delinquent loans;

(ii) provisions which prohibit the capitalization of interest or loan related expense unless the Board supports in writing and records in the minutes of the corresponding Board meeting why an exception thereto is in the best interests of the Bank;

(iii) provisions which require complete loan documentation, realistic repayment terms and current credit information adequate to support the outstanding indebtedness of the borrower. Such documentation shall include current financial information, profit and loss statements or copies of tax returns, and cash flow projections;

(iv) provisions which incorporate limitations on the amount that can be loaned in relation to established collateral values;

(v) provisions which specify the circumstances and conditions under which real estate appraisals must be conducted by an independent third party;

(vi) provisions which establish standards for unsecured credit;

(vii) provisions which establish officer lending limits;

(viii) provisions that require extensions of credit to any of the Bank’s executive officers, directors, or principal shareholders, or to any related interest of such persons, to be approved in advance by a majority of the entire Board in accordance with section 215.4(b) of Regulation O of the Board of Governors of the Federal Reserve System, 12 C.F.R. § 215.4(b);

(ix) provisions that the Board properly supervise construction loans and that adequate procedures are in place to monitor any construction involved before funds are disbursed;

(x) provisions which prohibit concentrations of credit in excess of 25 percent of the Bank’s' Tier 1 Capital to any borrower and that borrower's related interests; and

(xi) provisions which require the preparation of a loan "watch list", which shall include relevant information on all loans in excess of $200,000 that are classified "Substandard" and "Doubtful" in the ROE and by the Supervisory Authorities in subsequent Reports of Examination and all other loans in excess of $200,000 that warrant individual review and consideration by the Board as determined by the Loan Committee or active management of the bank. The loan "watch list" shall be presented to the Board for review at least monthly with such review noted in the minutes.

(c) The Board shall adopt procedures whereby officer compliance with the revised loan policy is monitored and responsibility for exceptions thereto assigned. The procedures adopted shall be reflected in the minutes of a Board meeting at which all members are present and the vote of each is noted.

LOAN REVIEW

11. Within 60 days from the effective date of this ORDER, the Bank shall adopt an effective loan review and grading system to provide for the periodic review, at a minimum on a quarterly basis, 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 address the criticisms enumerated on the Risk Management Assessment Pages of the ROE and shall be satisfactory to the Supervisory Authorities as determined at their initial review and at subsequent examinations and/or visitations.

CONCENTRATIONS OF CREDIT

12. Within 90 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 28 of the ROE 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 Tier 1 Capital. A copy of this analysis shall be provided to the Supervisory Authorities and the Board agrees to 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 as determined at subsequent examinations or visitations.

ALLOWANCE FOR LOAN AND LEASE LOSSES

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

(b) Within 60 days from the effective date of this ORDER, the Board shall establish a comprehensive policy for determining the adequacy of the ALLL. The comprehensive policy for determining the adequacy of the ALLL will be in full compliance with outstanding regulatory and accounting guidance. 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. Said review should be completed at least ten 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 ("Call Reports"). 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 Call Report, 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 Bank's ALLL and its implementation shall be satisfactory to the Supervisory Authorities as determined at subsequent examinations or visitations.

BUSINESS/STRATEGIC PLAN AND EARNINGS

14. Within 90 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 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 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 REGULATION

15. Within 60 days from the effective date of this ORDER, the Bank shall eliminate or correct all violations of law, regulation, and contraventions of Statements of Policy that are contained in the ROE. In addition, the Bank shall take all necessary steps to ensure future compliance with all applicable laws and regulations.

ETHICS AND CONFLICTS OF INTEREST

16. (a) Within 60 days from the effective date of this ORDER, the Bank shall develop, adopt and implement a written ethics and conflicts of interest policy ("Ethics Policy") and program ("Ethics Program").

(b) The Ethics Policy shall state the ethical standards expected of employees and other persons participating in the conduct of the affairs of the Bank ("Covered Individuals"), in the performance of their duties and responsibilities. The Ethics Program shall establish the definitions, instructions, and format to be followed by Covered Individuals in the preparation of comprehensive conflict disclosure statements to be filed for review by an Ethics Counselor, Ethics Committee and/or the Board. The Ethics Policy and Ethics Program and their implementation shall be in a manner and form acceptable to the Supervisory Authorities.

(c) Regarding officers, directors, and principal shareholders ("Insiders"), the Ethics Program shall also adopt and implement written policies and procedures designed, at a minimum, to ensure that each member of the Board has been apprised of any potential conflicts of interest prior to making a decision or acting specifically on any loan or other transaction in which Insiders are directly or indirectly involved. The results of any deliberations by the Board regarding potential conflicts shall be reflected in the minutes of its meetings.

TECHNICAL EXCEPTIONS

17. Within 90 days from the effective date of this ORDER, the Bank shall correct the technical exceptions listed in the ROE. The Bank shall initiate and implement a program to ensure its credit files contain complete, adequate and current documentation.

CALL REPORTS

18. (a) From the effective date of this ORDER, the Bank shall ensure that any Call Reports filed with the FDIC accurately reflect the condition of the Bank as of the date of each such Call Report. Amended Call Reports are to be filed if previously submitted reports contain material inaccurate or misleading statements as dictated by the Instructions for Preparation of Call Reports.

(b) During the life of this ORDER, the accuracy of the Call Reports shall be attested to by at least two independent directors.

RECORDKEEPING

19. (a) From the effective date of this ORDER, the Bank shall maintain records sufficiently complete and accurate to enable the Supervisory Authorities to determine the Bank's

financial condition and the substance and purpose of any transaction that may have a material effect on its financial condition.

(b) The Bank shall provide the Supervisory Authorities with prompt and unrestricted access to the books, records and staff of the Bank and its affiliates, and the Bank shall provide full details or the purposes of the transactions between the Bank and its affiliates to the Supervisory Authorities promptly upon inquiry.

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 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.

DISCLOSURE TO SHAREHOLDERS

21. Following the issuance of this ORDER, the Bank shall provide to its shareholders or otherwise furnish a description of this ORDER (i) in conjunction with the Bank's next shareholder communication or (ii) 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 17th Street, N.W., Room F-6066, Washington, D.C. 20429 and to the Commissioner of the Department, 2990 Brandywine Road, Suite 200, Atlanta, Georgia 30341, to review at least twenty (20) days prior to dissemination to shareholders. Any changes

requested to be made by the FDIC and the Department shall be made prior to dissemination of the description, communication, notice, or statement.

The provisions of this ORDER shall not bar estop, or otherwise prevent the FDIC or any federal or state agency or department from taking any other action against the Bank or any of the Bank's current or former institution-affiliated parties.

This ORDER shall become effective immediately on the date of its issuance.

The provisions of this ORDER shall be binding upon the Bank, its Bank-affiliated parties, and any successors and assigns thereof.

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 and the Department.

Pursuant to delegated authority.

Dated at Atlanta, Georgia, this 3rd day of December, 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 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 Department had issued a separate ORDER that included and incorporated all of the provisions of the Foregoing ORDER, pursuant to Official Code of Georgia Annotated § 7-1-91 (1985).

Dated this 3rd day of December, 2009.

/s/

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