FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of CORNERSTONE BANK WILSON, NORTH CAROLINA (Insured State Nonmember Bank)	CONSENT ORDER FDIC-09-718b

The Federal Deposit Insurance Corporation ("FDIC") is the appropriate Federal banking agency for Cornerstone Bank, Wilson, North Carolina ("Bank"), under 12 U.S.C. § 1813(q).

The Bank, by and through its duly elected and acting Board of Directors ("Board"), has executed a "Stipulation to the Issuance of a Consent Order" ("Stipulation"), dated February 9, 2010, that is accepted by the FDIC and with the North Carolina Commissioner of Banks ("Commissioner"). 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 for example, weaknesses in capital and liquidity, to the issuance of this Consent Order ("Order") by the FDIC. The Commissioner may issue an order to cease and desist pursuant to N.C. Gen. Stat. § 53C-107.1 (2005).

Having determined that the requirements for issuance of an order under 12 U.S.C. § 1818(b) and N.C. Gen. Stat. § 53-107.1 (2005) have been satisfied, the FDIC and the Commissioner hereby order that:

1. **BOARD OF DIRECTORS**

(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.

(c) Within 30 days from the effective date of this ORDER, the Bank's Board shall develop and adopt an educational program for periodic training for each member of the Board. The educational program shall include, at a minimum:

(i) specific training in the areas of lending, operations, and compliance with laws, rules and regulations applicable to banks chartered in the state of North Carolina; and,

(ii) specific training in the duties and responsibilities of the Board in connection with the safe and sound operation of the Bank.

Upon adoption of the educational program, it shall be submitted to the Regional Director of the FDIC's Atlanta Regional Office ("Regional Director") and the Commissioner (collectively, "Supervisory Authorities") for review and comment. The Board shall document the training activities in the minutes of the next Board meeting following 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.

2. MANAGEMENT

(a) Within 30 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 chief credit 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 financial 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.

(d) Within 60 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 credit officer and the chief financial 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.

3. CAPITAL

(a) During the life of this ORDER, the Bank shall maintain Tier 1 Capital in such an amount as to equal or exceed eight percent (8 %) of the Bank’s total assets. Additionally, during the life of this ORDER the Bank shall maintain a Total Risk Based Capital Ratio of at least twelve (12 %) as described in Part 325 of the FDIC Rules and Regulations, 12 C.F.R. Part 325.

(b) Within 60 days from the effective date of this ORDER, the Bank shall develop and adopt a plan for achieving and maintaining the capital levels required by paragraph 3(a) during the life of the ORDER. The plan shall be submitted to the Supervisory Authorities for review and approval.

(c) The level of Tier 1 Capital to be maintained during the life of this ORDER pursuant to paragraph 3(a) shall be in addition to a fully funded allowance for loan and lease losses ("ALLL"), the adequacy of which shall be satisfactory to the Supervisory Authorities as determined at subsequent examinations and/or visitations.

(d) Any increase in Tier 1 Capital necessary to meet the requirements of Paragraph 3(a) of this ORDER may be accomplished by the following:

(i) sale of common stock; or

(ii) sale of noncumulative perpetual preferred stock; or

(iii) direct contribution of cash by the Board, shareholders, and/or parent holding company; or

(iv) any other means acceptable to the Supervisory Authorities; or

(v) any combination of the above means.

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

(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.

(f) If all or part of any necessary increase in Tier 1 Capital required by paragraph 3(a) 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 the Federal securities laws. Prior to the implementation of the plan and, in any event, not less than fifteen (15) days prior to the dissemination of such materials, the plan and any materials used in the sale of the securities shall be submitted to the FDIC, Accounting and Securities Disclosure Section, 550 17th Street, N.W., Room F-6066, Washington, D.C. 20429, and to the North Carolina Office of the Commissioner of Banks, 316 Edenton Street, Raleigh, North Carolina 27603, for review. Any changes requested to be made in the plan or materials by the FDIC shall be made prior to their dissemination. If the increase in Tier 1 capital is provided by the sale of noncumulative perpetual preferred stock, then all terms and conditions of the issue, including but not limited to those terms and conditions relative to interest rate and convertibility factor, shall be presented to the Supervisory Authorities for prior approval.

(g) In complying with the provisions of paragraph 3(a) of this ORDER, the Bank shall provide to any subscriber and/or purchaser of the Bank's securities, a written notice of any planned or existing development or other changes which are materially different from the information reflected in any offering materials used in connection with the sale of Bank securities. The written notice required by this paragraph shall be furnished within ten (10) days from the date such material development or change was planned or occurred, whichever is earlier, and shall be furnished to every subscriber and/or purchaser of the Bank's securities who received or was tendered the information contained in the Bank's original offering materials.

(h) For the purposes of this ORDER, the terms "Tier 1 Capital," “total Risk-Based Capital” and "total assets" shall have the meanings ascribed to them in Part 325 of the FDIC Rules and Regulations, 12 C.F.R. Part 325.

4. ALLOWANCE FOR LOAN AND LEASE LOSSES

(a). Within 60 days from the effective date of this ORDER, the Board shall review the adequacy of the ALLL and establish a comprehensive policy for determining the adequacy of the Allowance. 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 shall be completed in time to properly report the ALLL in the quarterly Reports of Condition and Income. The review shall focus on the results of the Bank's internal loan review, loan and lease loss experience, trends of delinquent and nonaccrual 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 Reports of Condition and Income, 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.

(b) From the effective date of this ORDER the Bank shall submit a quarterly review of its Statement of Financial Accounting Standards Number 5 and 114 determinations to the Supervisory Authorities for review and comment.

5. **WRITTEN STRATEGIC PLAN**

Within 90 days from the effective date of this ORDER, the Bank shall prepare and submit to the Supervisory Authorities a 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, asset mix, funding mix, market focus, earnings projections, capital needs, and liquidity position.

6. **CHARGE-OFF**

(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 fifty percent of all assets classified "Doubtful" in the Joint Report of Examination dated May 26, 2009 ("ROE") that have not been previously collected or charged-off.

(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 report of the Bank from the FDIC Director or the Commissioner, eliminate from its books, by collection, charge-off, or other proper entries, the remaining balance of any assets classified "Loss" and fifty (50) percent of those classified "Doubtful," unless otherwise approved in writing by the Supervisory Authorities.

7. **NO ADDITIONAL CREDIT**

(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" and is uncollected.

(c) Paragraph 7(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:

(i) why the failure of the Bank to extend such credit would be detrimental to the best interests of the Bank;

(ii) that the extension of such credit would improve the Bank's position, including an explanatory statement of how the Bank's position would be improved; and

(iii) that an appropriate work-out plan has been developed and will be implemented in conjunction with the additional credit to be extended.

The signed certification shall be made a part of the minutes of the Board or designated committee, and a copy of the signed certification shall be retained in the borrower's credit file.

8. <u>REDUCTION OF CLASSIFIED ITEMS</u>

. (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 $200,000 classified

"Substandard" or "Doubtful" in the ROE. For purposes of this provision, "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 or lease, 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 plan mandated by this provision shall also include, but not be limited to, the following:

(i) a schedule for reducing the outstanding dollar amount of each adversely classified asset, including timeframes for achieving the reduced dollar amounts (at a minimum, the schedule for each adversely classified asset must show its expected dollar balance on a quarterly basis);

(ii) specific action plans intended to reduce the Bank's risk exposure in each classified asset;

(iii) 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 minutes of the meeting of the Board.

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

(i) Within 180 days, a reduction of twenty percent (20%) in the balance of assets classified "Substandard" or "Doubtful."

(ii) Within 360 days, a reduction of forty percent (40%) in the balance of assets classified "Substandard" or "Doubtful."

(iii) Within 540 days, a reduction of sixty-five percent (65%) 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 Bank shall immediately submit the 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 concurrently with the reporting requirements set forth in paragraph 18 of this ORDER.

(e) The requirements of this paragraph are not to be construed as standards for future operations of the Bank. The Bank shall eventually reduce the total of all adversely classified assets. Following compliance with the above reduction schedule, the Bank shall continue to reduce the total volume of adversely classified assets.

9. LENDING PRACTICES

(a) Within 90 days from the effective date of this ORDER, the Bank shall submit to the Supervisory Authorities specific plans and proposals to effect the correction of all loan underwriting, loan administration, and loan portfolio management weaknesses detailed in the ROE. At a minimum, these plans and proposals shall incorporate procedures:

(i) to address all loan underwriting weaknesses;

(ii) to address documentation procedures for commercial real estate loans;

(iii) to address the appropriate use of interest reserves;

(iv) to ensure proper financial analysis of potential and existing credit relationships, including the documentation of cash flow for the primary and secondary sources of repayment;

(v) to evaluate the Bank's loan review and grading system and implement changes which shall:

a. ensure that loans are appropriately graded;

b. ensure that loan grades are reviewed quarterly and changed if necessary;

c. ensure that problem loans are accurately identified on a timely basis;

d. ensure that collateral and credit documentation deficiencies and policy exceptions are identified; and

e. ensure that the results of the loan review are communicated in writing to the Board and the Loan Committee;

(vi) to ensure that the Bank's assessment of the adequacy of capital and the ALLL appropriately considers the loan review and grading system;

(vii) to revise the loan policy to include risk limits for industry and individual concentrations and procedures for monitoring and reporting such;

(viii) to monitor officer compliance with the written loan policy and to assign responsibility for exceptions to the policy.

(b) Within 90 days from the effective date of this ORDER, the Bank shall establish, adopt, and implement a written loan policy to provide effective guidance, monitoring, and control over the Bank's acquisition, development, and construction ("ADC") lending function. The policy shall address the weaknesses related to the Bank's ADC lending activities, as detailed in the ROE. Also, the policy shall provide for a planned material reduction in the volume of funded and unfunded ADC loans as a percentage of Tier 1 Capital. Such policy shall be provided to the Supervisory Authorities for review and approval prior to implementation, and its implementation shall be in a form and manner acceptable to the Supervisory Authorities as determined at subsequent examinations and/or visitations.

10. <u>CONCENTRATIONS OF CREDIT</u>

(a) Within 60 days from the effective date of this ORDER, the Bank shall develop a written plan and policy for systematically reducing the Bank's portfolio of loans or other extensions of credit advanced or committed, directly or indirectly, to or for the benefit of any borrowers noted on page 41 of the ROE to an amount that is consistent with the Bank's business strategies, management expertise, size, and location. At a minimum, the plan shall include:

(i) amounts and percent of capital to which the Bank shall reduce each concentration;

(ii) timeframes for achieving the reduction in dollar levels identified in response to subparagraph 10(a)(i);

(iii) provisions for the submission of monthly, written progress reports to the Board for review and notation in the minutes of the meetings; and

(iv) procedures for monitoring the Bank's compliance with the plan.

(b) Within 60 days from the effective date of this ORDER, the Bank shall perform a risk segmentation analysis with respect to the industry concentrations of credit listed on page 41 of the ROE. At a minimum, concentrations shall be identified by industry, geographic distribution, underlying collateral, direct or indirect extensions of credit to or for the benefit of any borrowers dependent upon the performance of a single developer or builder, and other asset groups that are considered economically related. The segmentation analysis required by this paragraph shall be consistent with the interagency guidance on *Concentrations in Commercial Real Estate Lending, Sound Risk Management Practices*, http://www.fdic.gov/news/press/2006/pr06114.html.

(c) A copy of the plan and the analysis shall be provided to the Supervisory Authorities for review and approval. The plan and its implementation shall be in a form and manner acceptable to the Supervisory Authorities as determined at subsequent examinations and/or visitations.

11. LIQUIDITY

(a) From the effective date of this ORDER, the Bank shall review its liquidity position at least monthly to ensure that the Bank has sufficient liquid assets or sources of liquidity to meet current and anticipated liquidity needs. The results of each monthly analysis shall be made a part of the Board minutes.

(b) Within 60 days from the effective date of this ORDER, the Bank shall develop or revise, adopt, and implement a written liquidity contingency plan. At a minimum, this plan shall address the use of volatile or special funding sources by financial institutions that are in a weakened condition consistent with FDIC Financial Institution Letter 13-2009.

Such plan shall be submitted to the Supervisory Authorities for review and approval, and its implementation shall be in a form and manner acceptable to the Supervisory Authorities, as determined at subsequent examinations and/or visitations.

12. BROKERED DEPOSITS

Throughout the effective life of this ORDER, the Bank shall not accept, renew, rollover any brokered deposit, as defined by 12 C.F.R. § 337.6(a)(2), unless it is in compliance with the requirements of 12 C.F.R. § 337.6(b), governing solicitation and acceptance of brokered deposits by insured depository institutions. The Bank shall comply with the restrictions on the effective yields on deposits as described in 12 C.F.R. § 337.6.

13. NO MATERIAL GROWTH WITHOUT PRIOR NOTICE

While this ORDER is in effect, the Bank shall notify the Supervisory Authorities at least 60 days prior to undertaking asset growth to 5 (5%) percent or more per annum or initiating material changes in asset or liability composition. In no event shall asset growth result in noncompliance with the capital maintenance provisions of this ORDER unless the Bank receives prior written approval from the Supervisory Authorities.

15. SENSITIVITY TO MARKET RISK

From the effective date of this ORDER, the Bank shall review its sensitivity to market risk at least monthly. The results of each monthly analysis shall be made a part of the Board minutes. The management and review of market risk should be in compliance with the Joint

Agency Policy Statement on Interest Rate Risk. The reviews and assessment of sensitivity to market risk will be made a part of the Board of Directors minutes.

16. VIOLATIONS OF LAW, REGULATION AND GUIDELINES

Within 30 days from the effective date of this ORDER, the Bank shall eliminate and/or correct all violations of law, which are more fully set out on pages 18 through 20 of the ROE. In addition, the Bank shall take all necessary steps to ensure future compliance with all applicable laws and regulations.

17. RESTRICTIONS ON CERTAIN PAYMENTS

While this ORDER is in effect, the Bank shall not declare or pay dividends or any other form of payment representing a reduction in capital without the prior written approval of the Supervisory Authorities. All requests for prior approval shall be received at least 30 days prior to the proposed dividend declaration date (at least 5 days with respect to any request filed within the first 30 days after the date of this ORDER) and shall contain, but not be limited to, an analysis of the impact such dividend or other payment would have on the Bank's capital position, cash flow and liquidity needs.

18. PROGRESS REPORTS

Within 30 days from 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 Consolidated Reports of Condition and 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. All progress reports and other written responses to this ORDER shall be reviewed by the Board and made a part of the minutes of the appropriate Board meeting.

19. DISCLOSURE

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, Accounting and Securities Disclosure Section, Washington, 550 17th Street, N.W., Room F-6066, D.C. 20429 and to the North Carolina Office of the Commissioner of Banks, 316 Edenton Street, Raleigh, North Carolina 27603, at least fifteen (15) days prior to dissemination to shareholders. Any changes requested to be made by the FDIC 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 other 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 be effective on the date of issuance.

The provisions of this ORDER shall be binding upon the Bank, its institution-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 provision has been modified, terminated, suspended, or set aside in writing.

Pursuant to delegated authority.

Dated at Atlanta, Georgia, this 11th day of February, 2010.

/s/

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

The North Carolina Commissioner of Banks having duly approved the foregoing Order, and the Bank, through its Board, agree that the issuance of the said Order by the Federal Deposit Insurance Corporation shall be binding as between the Bank and the Commissioner to the same degree and legal effort that such Order would be binding on the Bank if the Commissioner had issued a separate Order that included and incorporated all of the provisions of the foregoing Order pursuant to the provisions of N.C. Stat. § 53-107.1 (2005).

Dated this 11th day of February, 2010.

/s/

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Joseph A. Smith, Jr.
Commissioner of Banks
State of North Carolina