FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, D.C.

and

STATE OF FLORIDA
OFFICE OF FINANCIAL REGULATION
TALLAHASSEE, FLORIDA

In the Matter of	)	CONSENT ORDER
INTERNATIONAL FINANCE BANK MIAMI, FLORIDA	)	FDIC-11-214b OFR 838-FI-05/11
(Insured State Nonmember Bank)	)	

The Federal Deposit Insurance Corporation ("FDIC") is the appropriate Federal banking agency for International Finance Bank, Miami, Florida ("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 June 23, 2011, that is accepted by the FDIC and the Florida Office of Financial Regulation ("OFR"). With this 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 asset quality, management, earnings, capital, liquidity, and sensitivity to market risk, to the issuance of this Consent Order ("ORDER") by the FDIC and the OFR. The OFR may issue an ORDER pursuant to Chapter 120 and Section 655.033, Florida Statutes (2010).

Having determined that the requirements for issuance of an ORDER under 12 U.S.C. § 1818(b) and under Chapter 120 and Section 655.033, Florida Statutes, have been satisfied, the FDIC and the OFR hereby order that:

BOARD OF DIRECTORS

1. (a) Immediately upon the effective date of this ORDER, the Board shall increase its participation in the affairs of the Bank, assuming full responsibility for the approval of sound policies and objectives and for the supervision of all of the Bank's activities, consistent with the role and expertise commonly expected for directors of banks of comparable size. This participation shall include meetings to be held no less frequently than monthly at which, at a minimum, the following areas shall be reviewed and approved: reports of income and expenses; new, overdue, renewal, insider, charged off, and recovered loans; investment activity; adoption or modification of operating policies; individual committee reports; audit reports; internal control reviews including management's responses and compliance with this ORDER. Board meeting 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 3 members, to oversee the Bank's compliance with this ORDER. At least a majority of the members of such committee shall be directors not employed in any capacity by the Bank other than as a director. The Directors' Committee shall formulate and review monthly reports detailing the Bank's actions with respect to compliance with this ORDER. The Directors' Committee shall present a report detailing the Bank's adherence to this ORDER to the Board at each regularly scheduled Board meeting. Such report shall be recorded in the appropriate minutes of the Board's meetings 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.

CONFLICTS OF INTEREST

2. Within 60 days from the effective date of this ORDER, the Bank shall implement written policies and procedures designed to bring to the attention of each member of the Board conflicts of interest that may exist in approving loans or other transactions in which officers, directors, or principal shareholders of the Bank ("Insiders") are involved. Such policies and procedures shall, at a minimum, ensure that each member of the Board has been apprised of any potential conflict prior to making a decision or acting specifically on any loan or other transaction in which Insiders and/or their business associates are involved, directly or indirectly. The results of any deliberations by the Board regarding potential conflicts shall be reflected in the minutes of its meetings.

MANAGEMENT

3. (a) Within 150 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 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 safe and 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, management effectiveness, earnings, capital adequacy, liquidity, risk management, and sensitivity to market risk.

(c) Within 45 days from the effective date of this ORDER, the Bank shall retain a bank consultant and who will develop a written analysis and assessment of the Bank's management needs ("Management Report") for the purpose of providing qualified management for the Bank.

(d) The Management Report shall be developed within 90 days from the effective date of this ORDER and 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) written evaluation of all senior executive officers to determine whether such 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, restoration of the Bank to a safe and sound condition, and maintenance of the Bank in a safe and sound condition thereafter;

(iv) evaluation of all Bank officers' compensation, including salaries, director fees, and other benefits;

(v) 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

(vi) an organizational chart.

(e) Within 30 days from the effective date of this ORDER, the Bank shall provide the Regional Director of the FDIC's Atlanta Regional Office ("Regional Director") and the OFR (collectively, the "Supervisory Authorities") with a copy of the proposed engagement letter or third party contract for review before it is executed.

(f) The contract or engagement letter, at a minimum, shall include:

(i) a description of the work to be performed under the contract or engagement letter, the fees for each significant element of the engagement, and the aggregate fee;

(ii) the responsibilities of the firm or individual;

(iii) an identification of the professional standards covering the work to be performed;

(iv) identification of the specific procedures to be used when carrying out the work to be performed;

(v) the qualifications of the employee(s) who will perform the work;

(vi) the time frame for completion of the work;

(vii) any restrictions on the use of the reported findings;

(viii) a provision for unrestricted examiner access to work papers; and

(ix) a certification that neither the firm, nor any individual involved in the work to be performed, is affiliated in any manner with the Bank.

(g) Within 60 days from receipt of the Management Report, the Bank shall formulate a written plan ("Management Plan") that incorporates the findings of the Management Report, a plan of action in response to each recommendation contained in the Management Report, and a time frame for completing each action. At a minimum, the Management Plan shall:

(i) contain a recitation of the recommendations included in the Management Report;

(ii) incorporate a plan to provide necessary training and development for all employees;

(iii) establish procedures to periodically review and update the Management Plan, as well as periodically review and assess the performance of each officer and staff member; and

(iv) contain a current management succession plan.

(h) Such Management Plan and its implementation shall be satisfactory to the Supervisory Authorities at the initial review and at subsequent examinations and/or visitations.

(i) During the life of this ORDER, the Bank shall notify the Supervisory Authorities, in writing and within 10 business days, of the resignation or termination of any of the Bank's directors or senior executive officers and provide the reason for the resignation or termination of the individual. Prior to the addition of any individual to the Board or the employment of any individual as a senior executive officer or executive officer, as those terms are defined in 12 C.F.R. § 303.101, and in Section 655.005, Florida Statutes, the Bank shall comply with the requirements of 12 U.S.C. § 1831i, 12 C.F.R. §§ 303.100-303.104, Section 655.0385, Florida Statutes, and Rule 69U-100.03852, Florida Administrative Code. The notification shall include a description of the background and experience of the individual or individuals to be added or employed and must be received at least 60 days before such addition or employment is intended to become effective. If the Regional Director or OFR issues a notice of disapproval pursuant to Section 32 of the Act, 12 U.S.C. § 1831i, or Section 655.0385(2), with respect to any proposed individual, then such individual may not be added or employed by the Bank.

CAPITAL

4. (a) Within 120 days from the effective date of this ORDER, the Bank shall have Tier 1 Capital in such amount as to equal or exceed eight percent (8%) of its total assets, and shall have Total Risk-Based Capital in such an amount as to equal or exceed twelve percent (12%) of the Bank's total risk-weighted assets.

(b) During the life of this ORDER, the Bank shall maintain a Leverage Ratio of at least eight percent (8%) and a Total Risk-Based Capital Ratio of at least twelve percent (12%) as those capital ratios are defined in 12 C.F.R. Part 325.

(c) Within 60 days from the effective date of this ORDER, the Bank shall submit to the Supervisory Authorities a written capital plan. Such capital plan shall detail the steps that the Bank shall take to achieve and maintain the capital requirements set forth in this ORDER. In developing the capital plan, the Bank shall take into consideration:

(i) the volume of the Bank's adversely classified assets;

(ii) the nature and level of the Bank's asset concentrations;

(iii) the adequacy of the Bank's ALLL;

(iv) the anticipated level of retained earnings;

(v) anticipated and contingent liquidity needs; and

(vi) the source and timing of additional funds to fulfill future capital needs.

(d) In addition, the capital plan must include a contingency plan in the event that the Bank has failed to:

(i) maintain the minimum capital ratios required by this paragraph;

(ii) submit an acceptable capital plan as required by this paragraph; or

(iii) implement or adhere to a capital plan to which the Supervisory Authorities have taken no written objection pursuant to this paragraph.

Such contingency plan shall include a plan to sell or merge the Bank. The Bank shall implement the contingency plan upon written notice from the Supervisory Authorities.

(e) The level of Tier 1 Capital to be maintained during the life of this ORDER pursuant to this paragraph 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.

(f) If any such capital ratios are less than the percentages required by this ORDER, as determined as of the date of any Consolidated Report of Condition and Income or at an examination by the FDIC or the OFR, the Bank shall present to the Supervisory Authorities a plan to increase the Bank's Tier 1 Capital or to take other measures to bring all the capital ratios to the percentages required by this ORDER. After the Supervisory Authorities respond to the plan, the Board shall implement the plan, including any modifications and/or amendments requested by the Supervisory Authorities.

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

(i) sale of common stock;

(ii) sale of noncumulative perpetual preferred stock;

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

(iv) any combination of the above means; or

(v) any other means acceptable to the Supervisory Authorities.

(h) No increase in Tier 1 Capital that is necessary to meet the requirements of this ORDER may be accomplished through a deduction from the Bank's ALLL.

(i) If all or part of any necessary increase in Tier 1 Capital required by this ORDER is accomplished by the sale of new securities, the Board shall take all necessary steps to 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 applicable federal securities laws. Prior to the implementation of the plan and, in any event, not less than 15 days prior to the dissemination of such materials, the plan and any materials used in the sale of the securities shall be submitted to the FDIC, Division of Risk Management Supervision, Accounting and Securities Disclosure Section, 550 17th Street, N.W., Room MB-5073, Washington, D.C. 20429, and the OFR, Division of Financial Institutions, 200 East Gaines Street, Tallahassee, Florida 32399-0371, for review. Any changes requested to be made in the plan or materials by the FDIC or the OFR shall be made prior to the dissemination of the plan and materials. 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.

(j) In complying with the provisions of the Capital paragraph of this ORDER, the Bank shall provide written notice of any planned or existing development, or other changes that are materially different from the information reflected in any offering materials used in connection with the sale of Bank securities, to any subscriber and/or purchaser of the Bank's securities. The written notice required by this paragraph shall be furnished within 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.

ALLOWANCE FOR LOAN AND LEASE LOSSES AND CALL REPORT

5. (a) Immediately upon the issuance of this ORDER, the Board shall make a provision to replenish the ALLL, which as of the date of the examination was underfunded as set forth in the Report of Examination dated February 7, 2011 (the "Report").

(b) Within 60 days from the effective date of this ORDER, the Bank shall review Consolidated Reports of Condition and Income filed with the FDIC and shall amend said reports if necessary to accurately reflect the financial condition of the Bank as of the date of each such report. In particular, such reports shall contain an appropriate accounting of capital and an adequate ALLL. Reports filed after the effective date of this ORDER shall accurately reflect the financial condition of the Bank as of the reporting date.

(c) 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 ALLL and submit the policy to the Supervisory Authorities. 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 Consolidated 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 non-accrual loans, an estimate of potential loss exposure of significant credits, concentrations of credit, and present and prospective economic conditions. The review should include a review of compliance with ASC 450 (Topic 450, "Contingencies") and ASC 310-10-35 (Section 35, "Subsequent Measurement General," of Subtopic 310-10). The policy shall adhere to the guidance set forth in the *Interagency Policy Statement on the Allowance for Loan and Lease Losses*, FIL-105-2006 (Dec. 13, 2006). A deficiency in the ALLL shall be remedied in the calendar quarter it is discovered, prior to submitting the next Consolidated Reports of Condition and Income, by a charge to current operating earnings. The Board meeting minutes for the 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 the initial review and at subsequent examinations and/or visitations.

CHARGE-OFF LOSS AND DOUBTFUL

6. (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 (50%) of those assets or portions of assets classified “Doubtful” in the Report that have not been previously collected or charged-off. If an asset is classified “Doubtful”, the Bank may, in the alternative, charge-off the amount that is considered uncollectible in accordance with the Bank's written analysis of loan or lease impairment. Such analysis shall be accomplished in accordance with generally accepted accounting principles, the Federal Financial Institutions Examination Council's (“FFIEC”) *Instructions for Preparation of Consolidated Reports of Condition and Income (FFIEC 031 and 041)*, http://www.ffiec.gov/, Interagency Statements of Policy on the ALLL, and other applicable regulatory guidance that addresses the adequacy of the Bank’s ALLL. 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 from the receipt of any official Report of Examination of the Bank from the FDIC or the OFR, eliminate from its books, by collection, charge-off, or other proper entry, the remaining balance of any asset classified “Loss” and 50 percent (50%) of those assets classified “Doubtful” unless otherwise approved in writing by the Supervisory Authorities.

CLASSIFIED ASSET REDUCTION

7. (a) Within 90 days from the effective date of this ORDER, the Bank shall submit a written plan to the Supervisory Authorities to reduce the remaining assets classified “Doubtful” and “Substandard” in the Report or any future regulatory examination report. In addition, within 45 days from receipt of any future regulatory examination report, the Bank shall submit a written plan to reduce the remaining assets classified “Doubtful” or “Substandard” in such report. The

plan shall address each asset so classified with a balance of $500,000 or greater and provide the following:

(i) the name under which the asset is carried on the books of the Bank;

(ii) type of asset;

(iii) actions to be taken in order to reduce the classified asset; and

(iv) timeframes for accomplishing the proposed actions.

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

(i) a review of the financial position of each such borrower, including the source of repayment, repayment ability, and alternate repayment sources; and

(ii) an evaluation of the available collateral for each such credit, including possible actions to improve the Bank's collateral position.

(c) In addition, the Bank's plan shall contain a schedule detailing the projected reduction of total classified assets on a quarterly basis. Further, the plan shall require the submission of monthly progress reports to the Board and mandate a review by the Board.

(d) Within 30 days from the Supervisory Authorities' response, the plan, including any requested modifications or amendments, shall be adopted by the Board and the approval shall be recorded in the Board minutes. The Bank shall then immediately implement the plan.

(e) For purposes of the plan, the reduction of adversely classified assets as of the Report shall be detailed using quarterly targets expressed as a percentage of the Bank's Tier 1 Capital plus the Bank's ALLL and may be accomplished by:

(i) charge-off;

(ii) collection;

(iii) sufficient improvement in the quality of adversely classified assets so as to warrant removing any adverse classification, as determined by the FDIC or the OFR; and/or

(iv) increase in the Bank's Tier 1 Capital.

NO ADDITIONAL CREDIT

8. (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 credit already extended to a borrower after full collection, in cash, of interest due from the 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."

(c) The preceding limitations on additional credit 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 extension of any additional credit pursuant to this paragraph, either in the form of an 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 that:

(i) The failure of the Bank to extend such credit would be detrimental to the best interests of the Bank, including an explanatory statement of why it would be detrimental to the Bank's best interests;

(ii) 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 meeting minutes of the Board or its designated committee and a copy of the signed certification shall be retained in the borrower's credit file.

(e) Any additional extensions of credit to classified borrowers made under this provision shall be reported at 90-day intervals with the other reporting requirements set forth in this ORDER. At a minimum, the 90-day reports shall include the name of the classified borrower, the amount of additional credit extended, and the total outstanding balance of credit extended to the classified borrower.

CONCENTRATIONS OF CREDIT

9. (a) Within 60 days from the effective date of this ORDER, the Bank shall develop and submit for review a written plan for systematically reducing and monitoring the Bank's concentrations of credit identified in the Report to an amount which is commensurate with the Bank's business strategy, management expertise, size, and location ("Concentration Reduction Plan").

(b) The Concentration Reduction Plan shall comply with applicable guidance referenced in *Guidance on Concentrations in Commercial Real Estate Lending, Sound Risk Management Practices*, FIL-104-2006 (Dec. 12, 2006), and *Managing Commercial Real Estate Concentrations in a Challenging Environment*, FIL-22-2008 (Mar. 17, 2008). The Concentration Reduction Plan shall include, but not be limited to:

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

(ii) Timeframes for achieving the reduction in dollar levels in response to the subparagraph, above;

(iii) Provisions for controlling and monitoring of nontraditional residential mortgages, home equity lines of credit ("HELOC"), and commercial real estate ("CRE"), including plans to address the rationale for nontraditional residential mortgages, HELOC, and CRE levels as they relate to growth and capital targets, segmentation, and testing of the nontraditional residential mortgages, HELOC, and CRE portfolios to detect and limit concentrations with similar risk characteristics; and

(iv) Provisions for the submission of monthly written progress reports to the Board for review and notation in minutes of the Board meetings.

(c) The Concentration Reduction Plan shall be in a form and manner acceptable to the Supervisory Authorities at the initial review and at subsequent examinations and/or visitations. The Board shall approve the Concentration Reduction Plan, which approval shall be recorded in the Board meeting minutes. Thereafter, the Bank shall fully implement the Concentration Reduction Plan.

LENDING

10. (a) Within 60 days from the effective date of this ORDER, the Bank shall revise, adopt, and implement its written lending and collection policy to provide effective guidance and control over the Bank's lending function. Such policy and its implementation shall be in a form and manner acceptable to the Supervisory Authorities at subsequent examinations and/or visitations.

(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 Consolidated 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 expenses unless the Board supports the capitalization in writing and records in the minutes of the corresponding Board meeting the reason an exception is in the best interests of the Bank;

(iii) Provisions which require complete loan documentation, including current financial information, profit and loss statements and/or copies of tax returns, and cash flow projections;

(iv) Provisions which require realistic repayment terms and current credit information adequate to support the outstanding indebtedness of the borrower;

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

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

(vii) Provisions which establish standards for the extension of unsecured credit;

(viii) Provisions which establish officer lending limits;

(ix) Provisions which 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 12 C.F.R. § 215.4(b) and Section 658.48(2), Florida Statutes;

(x) Provisions which prohibit the issuance of standby letters of credit unless the letters of credit are fully secured by readily marketable collateral and/or are supported by current and complete financial information;

(xi) Provisions which require proper supervision of construction loans and adequate procedures to monitor actual construction completed in relation to construction loan advances;

(xii) Provisions which prohibit concentrations of credit in excess of 25 percent (25%) of the Bank's Tier 1 Capital to any borrower and such borrower's related interests; and

(xiii) Provisions which require the preparation of a loan "watch list" which shall include relevant information on all loans in excess of $500,000 that are classified

“Substandard” in the Report and by the Supervisory Authorities in subsequent reports of examination, and all other loans in excess of $2,000,000 that warrant individual review and consideration by the Board as determined by the Credit 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 exceptions are reported to the Board. 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. (a) Within 45 days from the effective date of this ORDER, the Bank shall adopt an effective internal loan review and grading system to provide for the periodic review of the Bank’s loan portfolio in order to identify and categorize the Bank’s loans, 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 at subsequent examinations and/or visitations. At a minimum, the grading system shall provide for the following:

(i) Specification of standards and criteria for assessing the credit quality of the Bank’s loans;

(ii) Application of loan grading standards and criteria to the Bank’s loan portfolio;

(iii) 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;

(iv) Assessment of the likelihood that each loan exhibiting credit and other risks will not be repaid according to its terms and conditions;

(v) Identification of any loan that is not in conformance with the Bank's loan policy;

(vi) 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;

(vii) Requirement of a written report to be made to the Board and Credit Committee, if any, 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

(viii) Specific policies governing Bank charge-offs of loans and underlying collateral taken to repay loans.

(b) Within 90 days from the effective date of this ORDER, the Bank shall contract for an external loan review, which shall assess the accuracy of the Bank's loan grading system, the quality of credit underwriting and administrative practices, and the correction of documentation weaknesses identified in the Report. The written findings of the external loan review shall be submitted to the Supervisory Authorities.

INTERNAL CONTROLS

12. Within 60 days from the effective date of this ORDER, the Bank shall adopt and implement a policy for the operation of the Bank in such a manner as to provide adequate internal routines and controls within the Bank consistent with safe and sound banking practices. Such policy and its implementation shall, at a minimum, eliminate and/or correct all internal routine and control deficiencies as more fully set forth in the Report and shall be satisfactory to the Supervisory Authorities at subsequent examinations and/or visitations.

STRATEGIC PLAN

13. (a) Within 90 days from the effective date of this ORDER, the Bank shall prepare and submit to the Supervisory Authorities an acceptable 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; and

(iii) Plans for effective risk management and collection practices.

(b) The Board shall approve the business/strategic plan, which approval shall be recorded in the Board meeting minutes for the meeting at which the business/strategic plan was approved.

BUDGET

14. (a) Within 60 days from the effective date of this ORDER, the Bank shall implement and submit to the Supervisory Authorities a written plan and a comprehensive budget for all categories of income and expense for the remainder of the calendar year ending December 31, 2011. The plan and budget required by this paragraph shall include formal goals and strategies, consistent with sound banking practices, and take into account the Bank's other written policies in order 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 description of the operating assumptions that form the basis for, and adequately support, major projected income and expense components. By November 30, 2011, the Bank shall formulate such a plan and budget for the calendar year ending December 31, 2012, and submit the plan and budget to the Supervisory Authorities for review and comment by December 15, 2011. Thereafter, the Bank shall formulate such a plan and budget by November 30 of each subsequent year and submit the plan and budget to the Supervisory Authorities for review and comment by December 15 of each subsequent year. The plan and budget required by this

ORDER shall be acceptable to the Supervisory Authorities at the initial review and at subsequent examinations and/or visitations.

(b) On a monthly basis, the Board shall evaluate the Bank's actual performance in relation to the plan and budget required by 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 actual performance compared to the budget shall be submitted to the Supervisory Authorities with the quarterly progress reports required by this ORDER.

LIQUIDITY AND FUNDS MANAGEMENT

15. (a) Within 90 days from the effective date of this ORDER, the Bank shall adopt and implement a written plan to improve liquidity, contingency funding, interest rate risk, and asset liability management.

(b) The plan shall incorporate the guidance contained in *Liquidity Risk Management*, FIL-84-2008 (Aug. 26, 2008). The plan shall provide restrictions on the use of brokered and internet deposits consistent with safe and sound banking practices.

(c) A copy of the plan shall be submitted to the Supervisory Authorities and its implementation shall be in a form and manner acceptable to the Supervisory Authorities at the initial review and at subsequent examinations and/or visitations.

(d) Beginning with the effective date of this ORDER, the Bank's management shall review its liquidity position 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 presented to the Board for review each month, with the review noted in the Board meeting minutes.

INTEREST RATE RISK POLICY

16. Within 90 days from the effective date of this ORDER, the Bank shall develop and implement a written policy for managing interest rate risk in a manner that is appropriate to the size of the Bank and the complexity of its assets. The policy shall comply with the *Joint Agency Policy Statement on Interest Rate Risk*, FIL-52-96 (July 12, 1996), and the *FFIEC Advisory on Interest Rate Management*, FIL-2-2010 (Jan. 20, 2010), and shall be consistent with the comments and recommendations detailed in the Report. The policy shall include guidelines governing the means by which the interest rate risk position will be monitored, the establishment of risk parameters, and periodic reporting to management and the Board regarding interest rate risk with adequate information provided to assess the level of risk. Such policy and its implementation shall be satisfactory to the Supervisory Authorities as determined at subsequent examinations and/or visitations.

INVESTMENT POLICY

17. (a) Within 90 days from the effective date of this ORDER, and annually thereafter, the Board shall review the Bank's investment policy for adequacy and shall make the necessary revisions to address the actual and contemplated condition of investments held to maturity and/or available for sale. At a minimum, the revised policy shall:

(i) address the exceptions noted in the Report;

(ii) be consistent with generally accepted accounting principles;

(iii) be consistent with the Bank's loan, liquidity, and funds management policies;

(iv) be consistent with the *Supervisory Policy Statement on Investment Securities and End-User Derivatives Activities*, FIL-45-1998 (Apr. 28, 1998); and

(v) be consistent with the Federal Financial Institutions Examination Council ("FFIEC") *Instructions for Preparation of Consolidated Reports of Condition and Income (FFIEC 031 and 041)*, http://www.ffiec.gov/, under which the Bank shall properly segregate and account for trading account securities.

(b) The revised policy shall be acceptable to the Supervisory Authorities at subsequent examinations and/or visitations. The Bank shall implement and follow the policy.

BROKERED DEPOSITS

18. Throughout the effective life of this ORDER, the Bank shall not accept, renew, or rollover any brokered deposit, as defined in 12 C.F.R. § 337.6(a)(2), unless it is in compliance with the requirements of 12 C.F.R. § 337.6(b) which governs the 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.

ASSET GROWTH

19. While this ORDER is in effect, the Bank shall notify the Supervisory Authorities at least 60 days prior to undertaking asset growth that exceeds 10 percent (10%) 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.

VIOLATIONS OF LAW, REGULATION, AND CONTRAVENTION OF POLICY

20. Within 60 days from the effective date of this ORDER, the Bank will eliminate and/or correct all violations of laws, regulations, and/or contraventions of statements of policy in the Report and shall adopt and implement appropriate procedures to ensure future compliance with all such applicable federal and state laws, regulations, and/or statements of policy.

RESTRICTIONS OF CERTAIN PAYMENTS

21. (a) While this ORDER is in effect, the Bank shall not declare or pay dividends, pay bonuses, or make any other form of payment outside the ordinary course of business resulting in a reduction of 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 or bonus payment declaration date (at least 5 days with respect to any request filed within the first 30 days from the date of this ORDER) and shall contain, but not be limited to, an analysis demonstrating that the proposed payment meets the criteria set forth in Section 658.37, Florida Statutes, and detailing the impact such payment would have on the Bank's capital position, cash flow, concentrations of credit, asset quality and ALLL needs. The Supervisory Authorities will not approve any payment representing a reduction of capital unless the Supervisory Authorities determine that such payment will not have an adverse or unacceptable impact on the Bank's capital position, cash flow, concentrations of credit, asset quality and ALLL needs.

(b) During the term of this ORDER, the Bank shall not make any distributions of interest, principal or other sums on subordinated debentures, if any, without the prior written approval of the Supervisory Authorities.

PROGRESS REPORTS

22. Within 45 days from the end of the first quarter following the effective date of this ORDER, and within 45 days from 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 of Income. Such reports may be discontinued when the corrections required by this ORDER have been accomplished and the Supervisory Authorities has 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 appropriate Board meeting minutes.

SHAREHOLDER DISCLOSURE

23. Within 30 days from the effective date of this ORDER, the Bank shall provide to its shareholders or otherwise furnish a description of this ORDER, in conjunction with the Bank's next shareholder communication and in conjunction with its notice or proxy statement preceding the Bank's next shareholder meeting. The description shall fully describe this ORDER in all material respects. The description and any accompanying communication, statement, or notice shall be sent to the FDIC, Division of Risk Management Supervision, Accounting and Securities Disclosure Section, 550 17th Street, N.W., Room MB-5073, Washington, D.C. 20429, and to the OFR, Division of Financial Institutions, 200 East Gaines Street, Suite 624, Tallahassee, FL

32399-0371 for non-objection or comment at least 20 days prior to dissemination to shareholders. Any changes requested by the FDIC or the OFR shall be made prior to dissemination of the description, communication, notice, or statement.

OTHER ACTIONS

24. This ORDER shall not bar, stop, or otherwise prevent the FDIC, the OFR, or any other federal or state agency or department from taking any action against the Bank, the Bank's current or former institution-affiliated parties, and/or any of their respective directors, officers, employees, and agents, including, but not limited to, the imposition of civil money penalties.

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.

Issued Pursuant to Delegated Authority.

Dated this 1st day of July, 2011.

/s/

By: ______________________________
Thomas J. Dujenski
Regional Director
Division of Risk Management Supervision
Atlanta Region
Federal Deposit Insurance Corporation

The Commissioner of the OFR, 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 OFR to the same degree and to the same legal effect that such ORDER would be binding if the OFR had issued a separate ORDER that included and incorporated all of the provisions of the foregoing ORDER, pursuant to Chapters 120, 655, and 658, Florida Statutes, including specifically Sections 655.033 and 655.041, Florida Statutes.

Dated this 24th day of June, 2011.

/s/

By: ___________________________
Linda B. Charity
Director
Division of Financial Institutions
Office of Financial Regulation
By Delegated Authority for the Commissioner
Office of Financial Regulation