

SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement ("Agreement") is made by, between, and among the following undersigned parties:

The Federal Deposit Insurance Corporation as Receiver for First Georgia Banking Company ("FDIC-R"); Gregory Akins, Larry Cardin, Barbara Coker, Pam Garland, William McDaniel, Dennis H. McDowell, Samuel McDuffie, Patrick McShane, Marybeth Meadows, Edward R. Newbern, Jackie L. Reed, Gleamer L. Smith, Jr., and Robert T. Stewart, (collectively the "Settling Individuals"); and Chartis Specialty Insurance Company and Federal Insurance Company (together the "Insurers"). The FDIC-R, the Settling Individuals and the Insurers may be referred to herein as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS:

Prior to May 20, 2011, First Georgia Banking Company ("Bank") was a depository institution organized and existing under the laws of Georgia;

On May 20, 2011, the Georgia Department of Banking and Finance closed the Bank and pursuant to 12 U.S.C. § 1821(c), the Federal Deposit Insurance Corporation was appointed Receiver. In accordance with 12 U.S.C. § 1821(d), the FDIC-R succeeded to all rights, titles, powers and privileges of the Bank, including those with respect to its assets.

Among the assets to which the FDIC-R succeeded were all of the Bank's claims, demands, and causes of action against its former directors, officers, and employees arising from the performance, nonperformance, and manner of performance of their respective functions, duties and acts as directors, officers, and employees of the Bank;

The FDIC-R has asserted claims against the Settling Individuals, each of whom served at various times as a director and/or officer of the Bank. The Settling Individuals deny liability for the claims.

Chartis Specialty Insurance Company ("Chartis") issued Policy No. [redacted] to (b)(4) FGBC Bancshares, Inc. for the Policy Period of October 1, 2010 to October 1, 2011, and Federal Insurance Company ("Chubb") issued Policy No. [redacted] to the Bank for the Policy Period of (b)(4) October 1, 2010 to 2011 (together the "Policies"), which insured the directors and officers of the Bank according to the terms, provisions, and conditions of the Policies. The Settling Individuals asserted claims for coverage under the Policies. The Insurers have reserved rights under the Policies for claims asserted by FDIC-R against the Settling Individuals.

The undersigned Parties deem it in their best interests to enter into this Agreement to avoid the uncertainty and expense of litigation.

NOW, THEREFORE, in consideration of the promises, undertakings, payments, and releases stated herein, the sufficiency of which consideration is hereby acknowledged, the undersigned Parties agree, each with the other, as follows:

SECTION I: Payment to FDIC-R

A. As an essential covenant and condition to this Agreement, on or before thirty days following the date all Parties execute this Agreement, the Insurers shall pay the FDIC-R the sum of Two Million One Hundred and Twenty-five Thousand Dollars and no/cents (\$2,125,000.00) ("the Settlement Payment") on behalf of the Settling Individuals. Chartis shall pay \$1,728,648.45 of the Settlement Payment and Federal Insurance Company shall pay \$396,351.55 of the Settlement Payment. Each Insurer's obligation is several and not joint.

B. The Insurers shall deliver the Settlement Payment to the FDIC-R as described in Section I.A. by check. The FDIC-R will provide delivery instructions within five days following the date all Parties execute this Agreement. The FDIC-R shall provide the Insurers with an executed W-9 for the designated account.

C. If the FDIC-R does not receive the Settlement Payment in full on or before the date determined by subsection A above, then the FDIC-R, in its sole discretion, shall have the right at any time prior to receipt of the Settlement Payment in full to:

1. Extend the period of time for the Settlement Payment, including interest accruing from the date determined by subsection A above, through the date of payment at a rate calculated in accordance with 26 U.S.C. § 6621(a)(2); or

2. Enforce this Agreement in the United States District Court for the Northern District of Georgia and to seek to collect all of the FDIC-R's reasonable attorney's fees and costs expended in enforcing the terms of this Agreement. However, due to prior bankruptcy proceedings and discharges, three of the Settling Individuals cannot be held personally liable to the FDIC-R, including for payment of attorney's fees or costs. To the extent the FDIC-R seeks to enforce the settlement agreement, these three Settling Individuals could be named as defendants only to the extent of their insurance coverage; or

3. Terminate the Agreement, and institute an action on the FDIC-R's claims, to which the Settling Individuals agree to consent, to the extent not limited or precluded by any discharge or permanent injunction entered in any bankruptcy proceeding, as set forth in the paragraph immediately above. The Settling Individuals further agree to waive any defense based on any statute of limitations that would bar any of the FDIC-R's claims and waive all objections, defenses, claims or counterclaims, and covenant and agree not to assert any objections, defenses, claims or counterclaims that did not exist or were otherwise unavailable as of the date this Agreement was fully executed; and/or

4. Seek any other relief available to it in law or equity.

Any extension of time under Section I.C.1 for delivery of the Settlement Payment or acceptance of a portion of the Settlement Payment shall not prejudice the FDIC-R's rights to take any of the actions set forth in Section I.C.2 through I.C.4 at any time prior to receipt of Settlement Payment in full.

SECTION II: Releases

A. The FDIC-R's Releases.

Upon receipt of the Settlement Payment in full and except as provided in Section II.D., the FDIC-R, for itself and its successors and assigns, hereby releases and discharges:

1. The Settling Individuals and their respective heirs, executors, trustees, administrators, representatives, insurers, successors, and assigns, from any and all claims, demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, belonging to the FDIC-R, that arise from or relate to, the performance, nonperformance, or manner of performance of the Settling Individuals' respective functions, duties and actions as officers and/or directors of the Bank.

2. Insurers, their parents, subsidiaries, affiliates and reinsurers, and their respective employees, officers, directors, agents and representatives, successors and assigns, from any and all claims, demands, obligations, damages, actions and causes of action, direct or indirect, in law or in equity, that arise from or relate to the Policies. As part of the release of the Insurers, the FDIC-R agrees that any interest that it may have under the Policies is extinguished.

3. All other former directors, officers, and employees of the Bank as described in the Policies (collectively, the "Covered Persons") and their respective heirs, executors, trustees, administrators, representatives, successors, and assigns, from any and all claims, demands, obligations, damages, actions and causes of action, direct or indirect, in law or in equity, belonging to the FDIC-R, that arise from, or relate to, the performance, nonperformance, or manner of performance of the Covered Persons' respective functions, duties and actions as directors, officers and/or employees of the Bank. This release shall be null and void as to any Covered Person if such Covered Person asserts any claim against the FDIC-R.

B. The Settling Individuals' Release.

1. Effective simultaneously with the release granted in Section II.A. above, the Settling Individuals, on behalf of themselves individually, and their respective heirs, executors, trustees, administrators, agents, representatives, attorneys, insurers, successors, and

assigns, hereby release and discharge the FDIC-R, and its employees, officers, directors, representatives, attorneys, successors and assigns, from any and all claims, demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, that arise from or relate to, the Bank, or to the performance, nonperformance, or manner of performance of the Settling Individuals' respective functions, duties and actions as officers and/or directors of the Bank.

2. Effective simultaneously with the release granted in Section II.C. 2. below, the Settling Individuals, on behalf of themselves individually, and their respective heirs, executors, trustees, administrators, agents, representatives, attorneys, insurers, successors, and assigns, hereby release and discharge the Insurers, their parents, subsidiaries, affiliates and reinsurers, and their respective employees, officers, directors, agents and representatives, including, attorneys, successors and assigns, from any and all claims, demands, obligations, damages, actions and causes of action, direct or indirect, in law or in equity, known or unknown, including claims for bad faith or unfair claims handling practices, that arise from or relate to the FDIC-R's claims.

C. The Insurers' Releases.

1. Effective simultaneously with the releases granted in Section II. A. above, Insurers, for themselves and their successors, assigns, and on behalf of their parents, affiliates, subsidiaries, and reinsurers, and their successors and assigns, hereby release and discharge the FDIC-R, and its employees, officers, directors, agents, representatives, attorneys, successors, and assigns, from any and all claims, demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, that arise or relate to the Policies.

2. Effective simultaneously with the releases granted in Section II. B.2. above, Insurers, for themselves and their successors, assigns, and on behalf of their parents, affiliates, subsidiaries, and reinsurers, and their successors and assigns, hereby release and discharge each of the Settling Individuals and their respective heirs, executors, trustees, administrators, representatives, insurers, successors, and assigns, from any and all claims,

demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, belonging to the FDIC-R, that arise from or relate to the Policies.

D. Exceptions from Releases by FDIC-R.

1. Notwithstanding any other provision of this Agreement, the FDIC-R does not release, and expressly preserves fully and to the same extent as if this Agreement had not been executed, any claims or causes of action:

a. Against the Settling Individuals, the Covered Persons, or any other person or entity for liability, if any, incurred as the maker, endorser or guarantor of any promissory note or indebtedness payable or owed by them to FDIC-R, the Bank, other financial institutions, or any other person or entity, including without limitation any such claims acquired by FDIC-R as successor in interest to the Bank or any person or entity other than Bank; and

b. Against any person or entity not expressly released by the FDIC-R in this Agreement.

2. Notwithstanding any other provision of this Agreement, nothing in this Agreement shall be construed or interpreted as limiting, waiving, releasing, or compromising the jurisdiction and authority of the Federal Deposit Insurance Corporation in the exercise of its supervisory or regulatory authority or to diminish its ability to institute administrative enforcement or other proceedings seeking removal, prohibition, or any other relief it is authorized to seek pursuant to its supervisory or regulatory authority against any person.

3. Notwithstanding any other provision of this Agreement, this Agreement does not purport to waive, or intend to waive, any claims that could be brought by the United States through the Department of Justice, the United States Attorney's Office for any federal judicial district, or any other department or agency of the United States as defined by 18 U.S.C. § 6. In addition, the FDIC-R specifically reserves the right to seek court-ordered restitution pursuant to the relevant provisions of the Mandatory Victims Restitution Act, 18 U.S.C. §§ 3322 and 3663 *et. seq.*, if appropriate.

SECTION III: Waiver of Dividends and Proceeds from Litigation

To the extent, if any, that Settling Individuals are or were shareholders of the Bank or its holding company and by virtue thereof are or may be entitled to a dividend, payment, or other distribution upon resolution of the receivership of the Bank or proceeds in any litigation that has been or could be brought against the Federal Deposit Insurance Corporation in any capacity or against the United States based on or arising out of, in whole or in part, the closing of the Bank, or any alleged acts or omissions by the Federal Deposit Insurance Corporation in any capacity, the United States government, or any agency or department of the United States government in connection with the Bank, its conservatorship, or receivership, Settling Individuals hereby knowingly assign to the FDIC-R any and all rights, titles, and interest in and to any and all such dividends, payments, or other distributions, or proceeds.

SECTION IV: Representations and Acknowledgements

A. Authorized Signatories. All of the undersigned persons represent and warrant that they are Parties hereto or are authorized to sign this Agreement on behalf of the respective Party, and that they have the full power and authority to bind such Party to each and every provision of this Agreement. This Agreement shall be binding upon and inure to the benefit of the undersigned Parties and their respective heirs, executors, trustees, administrators, representatives, successors and assigns.

B. Advice of Counsel. Each Party, except the Insurers, hereby acknowledges that he, she, or it has consulted with and obtained the advice of counsel prior to executing this Agreement, and that this Agreement has been explained to that Party by his or her counsel.

C. Financial Disclosure Representation. Each Settling Individual that submitted financial information to the FDIC-R affirms that his/her financial information is true and accurate as of the date the information was submitted. Each such Settling Individual expressly acknowledges that, in determining to settle the claims released herein, the FDIC-R has reasonably and justifiably relied upon the accuracy of the financial information submitted by the Settling Individuals. The FDIC-R has no obligation to independently verify the completeness or

accuracy of that financial information.

SECTION V: Reasonable Cooperation

A. The Parties agree to cooperate in good faith to effectuate all the terms and conditions of this Agreement, including doing, or causing their agents and attorneys to do, whatever is reasonably necessary to effectuate the signing, delivery, execution, filing, recording, and entry, of any documents necessary to perform the terms of this Agreement.

B. The Settling Individuals agree to cooperate fully with the FDIC-R in connection with any action required under this Agreement. Such cooperation shall consist of:

1. Producing all documents requested by the FDIC-R, without the necessity of subpoena, as determined by the FDIC-R, in its sole discretion, to be relevant to the Bank;

2. Appearing as requested by the FDIC-R at reasonable times and places for interviews regarding facts, as determined by the FDIC-R in its sole discretion, to be relevant to the Bank;

3. Testifying as requested by the FDIC-R, without the necessity of a subpoena, in any matter relevant to the Bank, as determined by the FDIC-R;

4. Signing truthful affidavits, regarding any matter, as determined by the FDIC-R in its sole discretion, to be relevant to the Bank.

SECTION VI: Other Matters

A. No Admission of Liability. The undersigned Parties each acknowledge and agree that the matters set forth in this Agreement constitute the settlement and compromise of disputed claims and defenses, that this Agreement is not an admission or evidence of liability or infirmity by any of them regarding any claim or defense, and that the Agreement shall not be offered or received in evidence by or against any Party except to enforce its terms.

B. Execution in Counterparts. This Agreement may be executed in counterparts by one or more of the Parties and all such counterparts when so executed shall together constitute the final Agreement, as if one document had been signed by all Parties; and each such counterpart, upon execution and delivery, shall be deemed a complete original, binding the

Parties subscribed thereto upon the execution by all Parties to this Agreement.

C. Choice of Law. This Agreement shall be interpreted, construed and enforced according to applicable federal law, or in its absence, the laws of the State of Georgia.

D. Notices. Any notices required hereunder shall be sent by registered mail, first class, return receipt requested, and by email, to the following:

If to the FDIC-R

Federal Deposit Insurance Corporation
3501 Fairfax Drive, Room VS-B-7012
Arlington, VA 22226
Attn: Andrew Gilbert, Esq.

(b)(6)

If to Gregory Akins, Larry
Cardin, Barbara Coker, Pam
Garland, William McDaniel,
Dennis H. McDowell,
Samuel McDuffie, Patrick
McShane, Marybeth
Meadows, Edward R.
Newbern Gleamer L. Smith,
Jr., Robert T. Stewart:

McKenna Long & Aldridge LLP
303 Peachtree Street, NE
Suite 5300
Atlanta, GA 30308
Attn: James B. Manley, Esq.

(b)(6)

If to Jackie L. Reed:

Sutherland Asbill & Brennan LLP
999 Peachtree Street, N.E.
Atlanta, Georgia 30309-3996
Attn: W. Scott Sorrels, Esq.

(b)(6)

If to Chartis Specialty
Insurance Company

AIG Claims, Inc.
Edward Drummond
Vice President, Financial Institutions
Financial Lines Claims, AIG Property Casualty
175 Water Street, 4th Floor
New York, NY 10038

If to Federal Insurance
Company

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, New Jersey 07059

Attn: Claims Department

E. Entire Agreement and Amendments. This Agreement constitutes the entire agreement and understanding between and among the undersigned Parties concerning the matters set forth herein and supersedes any prior agreements or understandings. This Agreement may not be amended or modified, nor may any of its provisions be waived, except in writing signed by the Parties bound thereby, or by their respective authorized attorney(s), or other representative(s).

F. Titles and Captions. All section titles and captions contained in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

G. No Confidentiality. The undersigned Parties acknowledge that this Agreement shall not be confidential and will be disclosed pursuant to the Federal Deposit Insurance Corporation's applicable policies, procedures, and other legal requirements.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by each of them or their duly authorized representatives on the dates hereinafter subscribed.

FEDERAL DEPOSIT INSURANCE CORPORATION AS
RECEIVER FOR FIRST GEORGIA BANKING
COMPANY

(b)(6)
Date: 3/2/2015

BY:

TITLE: Counsel

PRINT NAME: ANDREW GILBERT

Date: _____

GREGORY AKINS

PRINT NAME: _____

Attn: Claims Department

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FEDERAL DEPOSIT INSURANCE CORPORATION AS
RECEIVER FOR FIRST GEORGIA BANKING
COMPANY

Date: _____

BY: _____


TITLE: _____

PRINT NAME: _____

Date: 3/5/2015

GREGORY AKINS

(b)(6)


PRINT NAME: Gregory Akins

Date: 3-2-2015

LARRY CARDIN

(b)(6)



PRINT NAME: Larry Cardin

Date: _____

BARBARA COKER

PRINT NAME: _____

Date: _____

PAM GARLAND

PRINT NAME: _____

Date: _____

WILLIAM McDANIEL

PRINT NAME: _____

Date: _____

DENNIS H. McDOWELL

PRINT NAME: _____

Date: _____

LARRY CARDIN

PRINT NAME: _____

Date: _____

BARBARA COKER

(b)(6)



PRINT NAME: *Barbara Coker*

Date: _____

PAM GARLAND

PRINT NAME: _____:

Date: _____

WILLIAM McDANIEL

PRINT NAME: _____

Date: _____

DENNIS H. McDOWELL

PRINT NAME: _____

Date: _____

LARRY CARDIN

PRINT NAME: _____

Date: _____

BARBARA COKER

PRINT NAME: _____

Date: 3-4-15

PAM GARLAND

(b)(6) _____

PRINT NAME: Pam Garland _____:

Date: _____

WILLIAM McDANIEL

PRINT NAME: _____

Date: _____

DENNIS H. McDOWELL

PRINT NAME: _____

Date: _____

LARRY CARDIN

PRINT NAME: _____

Date: _____

BARBARA COKER

PRINT NAME: _____

Date: _____

PAM GARLAND

PRINT NAME: _____

Date: _____

WILLIAM McDANIEL

(b)(6)



PRINT NAME: *William McDaniel*

Date: _____

DENNIS H. McDOWELL

PRINT NAME: _____

Date: _____

LARRY CARDIN

PRINT NAME: _____

Date: _____

BARBARA COKER

PRINT NAME: _____

Date: _____

PAM GARLAND

PRINT NAME: _____

Date: _____

WILLIAM McDANIEL

PRINT NAME: _____

Date: 3-5-75

DENNIS H. McDOWELL

(b)(6)



PRINT NAME: Dennis H. McDowell

Date: 3/2/15

SAMUEL McDUFFIE

(b)(6)



PRINT NAME: Sam W McDuffie

Date: _____

PATRICK McSHANE

PRINT NAME: _____

Date: _____

MARYBETH MEADOWS

PRINT NAME: _____

Date: _____

EDWARD R. NEWBERN

PRINT NAME: _____

Date: _____

JACKIE L. REED

PRINT NAME: _____

Date: _____

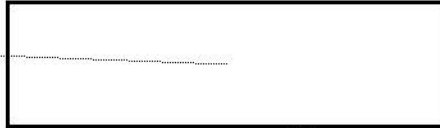
SAMUEL McDUFFIE

PRINT NAME: _____

Date: 3/2/2015

PATRICK McSHANE

(b)(6)



PRINT NAME: Patrick McShane

Date: _____

MARYBETH MEADOWS

PRINT NAME: _____

Date: _____

EDWARD R. NEWBERN

PRINT NAME: _____

Date: _____

JACKIE L. REED

PRINT NAME: _____

Date: _____

SAMUEL McDUFFIE

PRINT NAME: _____

Date: _____

PATRICK McSHANE

PRINT NAME: _____

Date: 2/28/15

MARYBETH MEADOWS

(b)(6)



PRINT NAME: Marybeth Meadows

Date: _____

EDWARD R. NEWBERN

PRINT NAME: _____

Date: _____

JACKIE L. REED

PRINT NAME: _____

Date: _____

SAMUEL McDUFFIE

PRINT NAME: _____

Date: _____

PATRICK McSHANE

PRINT NAME: _____

Date: _____

MARYBETH MEADOWS

PRINT NAME: _____

Date: 3-3-2015

EDWARD R. NEWBERN

(b)(6)



PRINT NAME: Edward R. Newbern

Date: _____

JACKIE L. REED

PRINT NAME: _____

Date: _____

SAMUEL McDUFFIE

PRINT NAME: _____

Date: _____

PATRICK McSHANE

PRINT NAME: _____

Date: _____

MARYBETH MEADOWS

PRINT NAME: _____

Date: _____

EDWARD R. NEWBERN

PRINT NAME: _____

Date: 3-9-2015

JACKIE L. REED

(b)(6)



PRINT NAME: Jackie L. Reed

Date: 3/4/15

GLEAMER L. SMITH, Jr.



(b)(6)

PRINT NAME: GLEAMER L SMITH JR

Date: _____

ROBERT T. STEWART

PRINT NAME: _____

Date: _____

AIG Claims, Inc., as claim manager for CI
Insurance Company

By: _____

PRINT NAME: _____

Date: _____

CHUBB & SON, a division of
Federal Insurance Company,
as claim manager for Federal Insurance C

By: _____

PRINT NAME: _____

Date: _____

GLEAMER L. SMITH, Jr.

PRINT NAME: _____

Date: 1/2, 2015

ROBERT T. STEWART

(b)(6)



PRINT NAME: Robert T. Stewart

Date: _____

AIG Claims, Inc., as claim manager for Chartis Specialty Insurance Company

By: _____

PRINT NAME: _____

Date: _____

CHUBB & SON, a division of Federal Insurance Company, as claim manager for Federal Insurance Company

By: _____

PRINT NAME: _____

Date: _____

GLEAMER L. SMITH, Jr.

PRINT NAME: _____

Date: _____

ROBERT T. STEWART

PRINT NAME: _____

Date: 3/4/15

AIG Claims, Inc., as claim manager for Chartis Specialty Insurance Company

(b)(6)

By:

PRINT NAME: EDWARD DRYMOND

Date: _____

CHUBB & SON, a division of Federal Insurance Company, as claim manager for Federal Insurance Company

By: _____

PRINT NAME: _____

Date: _____

GLEAMER L. SMITH, Jr.

PRINT NAME: _____

Date: Feb 2, 2015

ROBERT T. STEWART

(b)(6)

[Redacted Signature]

PRINT NAME: Robert T. Stewart

Date: _____

AIG Claims, Inc., as claim manager for Chartis Specialty Insurance Company

By: _____

PRINT NAME: _____

Date: 3/13/15

CHUBB & SON, a division of Federal Insurance Company, as claim manager for Federal Insurance Company

(b)(6)

By: [Redacted Signature]

PRINT NAME: HUGH D. SPEARS