

SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement ("Agreement") is made as of this 15th day of December, 2013, by, between, and among the following undersigned parties:

Claimant Federal Deposit Insurance Corporation as receiver of First National Bank, of Rosedale, Mississippi ("FDIC"); and Joseph G. Barnes; Herman Lafayette Dawkins; Robert G. Johnston; Juniper Yates Trice; Dr. Bennie H. Wright, Jr.; Estate of Clifford Durwood Long, Sr., by Co-Executors, Clifford Durwood Long, Jr. and Henry Earl Long; Travis "Butch" Bassie and Henry F. McCaslin, III (collectively the "Settling Individuals"). The FDIC and each Settling Individual may be referred to herein Individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS:

Prior to June 4, 2010, First National Bank, located in Rosedale, Mississippi ("Bank") was a depository institution organized and existing under the laws of the United States;

On June 4, 2010, the Bank was closed by the Office of the Comptroller of the Currency and pursuant to 12 U.S.C. § 1821(c), the FDIC was appointed receiver. In accordance with 12 U.S.C. § 1821(d), the FDIC as receiver 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 as receiver succeeded were any and all of the Bank's claims, demands, and causes of actions 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 and/or officers of the Bank;

The FDIC has asserted claims against the Settling Individuals, each of whom had served at various times as directors and/or officers of the Bank. The Settling Individuals have denied liability for the FDIC's claims;

The undersigned parties deem it in their best interests to enter into this Agreement to avoid the uncertainty, trouble, 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

A. As an essential covenant and condition to this Agreement, the Settling Individuals, collectively, agree to pay the FDIC the sum of \$2.75 million ("the Settlement Funds").

B. Within fourteen (14) days of the execution in counterparts of this Agreement by each of the undersigned Parties to this Agreement, the Settlement Funds shall be delivered to FDIC by direct wire transfer in accordance with the wire instructions set forth in Section V below. In the event that the Settlement Funds are not delivered to the FDIC (or its counsel) in the time frame provided, interest shall accrue on all unpaid amounts at the rate of 5% per annum from the payment due date until the date of payment.

C. In addition, and without waiving any other rights that the FDIC may have, in the event that all Settlement Funds (including all accrued interest) are not received by the FDIC on within thirty (30) days of the complete execution of this Agreement in counterparts, then the FDIC, in its sole discretion, shall have the right at any time prior to receipt of all Settlement Funds (including all accrued interest) to declare this Agreement null and void, shall have the right to extend this Agreement for any period of time until it receives all Settlement Funds (including all accrued interest), and/or shall have the right to enforce this Agreement against Parties, in which event the Parties agree to jurisdiction in Federal District Court in the Northern District of Mississippi and agree to pay all of the FDIC's reasonable attorney's fees expended in enforcing the terms of this Agreement. Any decision by the FDIC to extend the terms of this Agreement or to accept a portion of the Settlement Funds shall not prejudice its rights to declare this Agreement null and void at any time prior to receipt of all Settlement Funds (including all accrued interest) or to enforce the terms of this Settlement Agreement; provided however, that in

the event the FDIC declares this Agreement null and void, the FDIC will return all amounts paid to it under this Agreement.

SECTION II: Releases

A. Release of Settling Individual by FDIC.

Effective upon receipt in full of the Settlement Funds plus any accrued interest described in PARAGRAPHS I.A. and I.B. above, and except as provided in PARAGRAPH II.D. below, the FDIC, for itself and its successors and assigns, hereby releases and discharges each of the Settling Individuals and their respective heirs, executors, 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, 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.

B. Release of FDIC by the Settling Individuals.

Effective simultaneously with the release granted in PARAGRAPH II.A. above, the Settling Individuals, on behalf of themselves individually, and their respective heirs, executors, administrators, agents, representatives, insurers, successors and assigns, hereby release and discharge FDIC, and its employees, officers, directors, 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 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.

C. Release by Settling Individuals of Each Other.

Effective simultaneously with the releases granted in Paragraph II.B. above, the Settling Individuals, and their respective heirs, executors, administrators, representatives, successors and assigns, hereby release and discharge each other 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 performance, nonperformance, or manner of performance of their respective functions, duties and actions as officers and/or directors of the Bank.

D. Express Reservations From Releases By FDIC,

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

(b)(4) a. against any fidelity insurer for the claim under Financial Institution Bond policy number [redacted] issued by St. Paul Mercury Insurance Company and its (b)(4) affiliates, Claim No. [redacted] which was filed by the Bank on or about March 29, 2010.

b. against the Settling Individuals 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, the Bank, other financial institutions, or any other person or entity, including without limitation any claims acquired by FDIC as successor in interest to the Bank or any person or entity other than Bank;

c. against any person or entity not expressly released in this Agreement; and

d. which are not expressly released in Paragraphs II.A. above.

2. Notwithstanding any other provision, nothing in this Agreement shall be construed or interpreted as limiting, waiving, releasing or compromising the jurisdiction and authority of the FDIC in the exercise of its supervisory or regulatory authority or to diminish its ability to institute administrative enforcement proceedings seeking removal, prohibition or any other administrative enforcement.

3. Notwithstanding any other provision, this Agreement does not purport to waive, or intend to waive, any claims which could be brought by the United States through either the Department of Justice, the United States Attorney's Office for the Northern District of Mississippi or any other federal judicial district. In addition, the FDIC specifically reserves the right to seek court ordered restitution pursuant to the relevant provisions of the Victim and

Witness Protection Act, 18 U.S.C. § 3663, et. seq., if appropriate.

SECTION III: Waiver of Dividends

To the extent, if any, that Settling Individuals are or were shareholders of the Bank and by virtue thereof are or may have been entitled to a dividend, payment, or other pro rata distribution upon resolution of the receivership of the Bank, they hereby knowingly assign to the FDIC any and all rights, titles and interest in and to any and all such dividends, payments or other pro rata distributions.

SECTION IV: Representations and Acknowledgements

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 that this Agreement is not an admission or evidence of liability by any of them regarding any claim.

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

C. Binding Effect. Each of the undersigned persons represents and warrants that they are a party 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, administrators, representatives, successors and assigns.

D. 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 Mississippi.

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. This Agreement may not be amended or modified except by another written instrument signed by the party or parties to be bound thereby, or by their respective authorized attorney(s) or other representative(s).

F. Reasonable Cooperation.

1. The undersigned parties agree to cooperate in good faith to effectuate all the terms and conditions of this Agreement.

2. Further, the Settling Individuals agree to cooperate fully with the FDIC in connection with any action required under this Agreement. Any such cooperation that involves any out of pocket costs is subject to reasonable reimbursement by the FDIC pursuant to its internal guidelines and policy for such reimbursement. Such cooperation shall consist of:

- a. producing all non-privileged documents requested by the FDIC, without the necessity of subpoena, as determined by the FDIC, in its sole discretion, to be relevant to the Bank;
- b. making themselves available upon request by the FDIC at reasonable times and places for interviews regarding facts, as determined by the FDIC in its sole discretion, to be relevant to the Bank;
- c. appearing to testify about non-privileged matters, upon request by the FDIC, in any matter determined by the FDIC in its sole discretion, to be related to the Bank, without the necessity of subpoena;
- d. signing truthful affidavits upon request by the FDIC, regarding any matter, as determined by the FDIC in its sole discretion, to be relevant to the Bank.
- e. None of the foregoing constitutes a waiver of any the Settling Individuals' right to assert any privileges otherwise available to them, including but not limited to common law, statutory, and constitutional privileges.

G. Advice of Counsel. Each party hereby acknowledges that 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.

SECTION V: Wire Transfer Instructions

BANK: Federal Home Loan Bank of New York

(b)(4) ROUTING #:

FOR CREDIT TO: FDIC National Liquidation Account

(b)(4) ACCOUNT #:

New York Main Office
101 Park Avenue
New York, NY 10178-0599
212-681-6000
212-441-6890 Fax

OTHER BENEFICIARY INFORMATION (OBI):

- (b)(4) 1. Fund code:
2. Notify: Howard Klein 703-516-5089
3. FNB, Rosedale MS, Director and Officer settlement

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

(b)(6) Date: 11/26/13

BY:

TITLE: Counsel

PRINT NAME: Howard B. Klein

Date: _____

Joseph G. Barnes

SIGNATURE: _____

PRINT NAME: _____

Herman Lafayette Dawkins

Agreement has been explained to that party by his or her counsel.

SECTION V: Wire Transfer Instructions

BANK: Federal Home Loan Bank of New York

(b)(4) ROUTING #:

FOR CREDIT TO: FDIC National Liquidation Account

(b)(4) ACCOUNT #:

New York Main Office
101 Park Avenue
New York, NY 10178-0599
212-681-6000
212-441-6890 Fax

OTHER BENEFICIARY INFORMATION (OBI):

- (b)(4) 1. Fund code:
2. Notify: Howard Klein 703-516-5089
3. FNB, Rosedale MS, Director and Officer settlement

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

Date: _____

BY: _____

TITLE: _____

PRINT NAME: _____

Date: 12-10-13

Joseph G. Barnes

SIGNATURE:

(b)(6)

PRINT NAME: Joseph G. Barnes

Herman Lafayette Dawkins

Date: 12/2/2013

SIGNATURE: (b)(6)

PRINT NAME: H. W. Jim Hawkins, JR.
DEC. 2, 2013

Robert G. Johnston

Date: 12/10/13

SIGNATURE: (b)(6)

PRINT NAME: Robert G Johnston

Juniper Yates Trice

Date: 12/9/13

SIGNATURE: (b)(6)

PRINT NAME: J. Y. Trice

Dr. Bennie E. Wright, Jr

Date: _____

SIGNATURE: (b)(6)

PRINT NAME: Bennie Wright

Estate of Clifford Durwood Long, Sr.

Date: _____

SIGNATURE: (b)(6)

(Co-Executor Clifford Durwood Long, Jr.)

SIGNATURE: (b)(6)

Henry Earl Long
(Co-Executor Henry Earl Long)

Travis "Butch" Bassie

Date: _____

SIGNATURE: _____

PRINT NAME: _____

Date: _____

SIGNATURE: _____

PRINT NAME: _____

Robert G. Johnston

Date: _____

SIGNATURE: _____

PRINT NAME: _____

Juniper Yates Trice

Date: _____

SIGNATURE: _____

PRINT NAME: _____

Dr. Bennie E. Wright, Jr

Date: _____

SIGNATURE: _____

PRINT NAME: _____

Estate of Clifford Durwood Long, Sr.

Date: _____

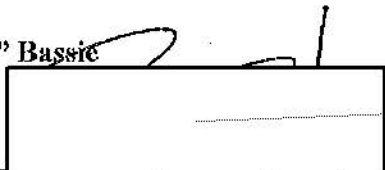
SIGNATURE: _____

(Co-Executor Clifford Durwood Long, Jr.)

SIGNATURE: _____

(Co-Executor Henry Earl Long)

Travis "Butch" Bassie



(b)(6)

Date: 12-3-13

SIGNATURE: _____

PRINT NAME: Butch Bassie

Date: _____

SIGNATURE: _____

PRINT NAME: _____

Henry E. McCaslin, III

Date: 12/6/13

SIGNATURE:

[Redacted Signature]

(b)(6)

PRINT NAME:

HENRY E. McCaslin III