

VIA FACSIMILE AND OVERNIGHT MAIL

December 29, 1997

Board of Directors
Mooreville Savings Bank, S.S.B.
347 North Main Street
Mooreville, North Carolina 28115

Dear Board of Directors:

The notice of proposed mutual-to-stock conversion and subsequent amendments thereto, filed on behalf of Mooreville Savings Bank, SSB, Mooreville, North Carolina (Bank) have been reviewed by the Federal Deposit Insurance Corporation (FDIC) pursuant to section 303.15 of the FDIC Rules and Regulations. As described in the notice and the amendments, the Bank proposes to convert from a North Carolina-chartered mutual savings bank to a North Carolina-chartered stock savings bank.

Based on the information and representations presented, the FDIC does not object to the proposed mutual-to-stock conversion on the terms outlined in the notice as amended and supplemented.

Please advise the Atlanta Regional Office in writing when the proposed transaction has been consummated.

Sincerely,

/s/

Cathy H. Hiner
Associate Director

cc: Ms. Ellen P. Hamrick
Brooks, Pierce, McLendon Humphrey & Leonard, L.L.P.
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