

FEDERAL DEPOSIT INSURANCE CORPORATION

IN RE: Franklin Synergy Bank
Franklin, Williamson County, Tennessee
Application for Federal Deposit Insurance
(Deposit Insurance Fund)

ORDER

The undersigned, acting on behalf of the Board of Directors pursuant to delegated authority, has fully considered all available facts and information relevant to the factors of Section 6 of the Federal Deposit Insurance Act and relating to the application for deposit insurance for Franklin Synergy Bank, Franklin, Williamson County, Tennessee, a proposed new State member bank and Deposit Insurance Fund member, to be located at 3301 Aspen Grove Drive, Suites 106, Franklin, Williamson County, Tennessee, and has concluded that the application should be approved.

Accordingly, it is hereby ORDERED, that the application submitted by Franklin Synergy Bank for Federal deposit insurance be and the same hereby is approved subject to the following conditions.

1. That beginning paid-in capital funds of not less than \$20,000,000 be provided.
2. That the Tier 1 capital to assets leverage ratio as defined in Federal Reserve Board capital regulations and guidance be maintained at not less than eight percent throughout the first three years of operation and that an adequate allowance for loan and lease losses be provided;
3. That any changes in proposed management or proposed ownership to the extent of ten percent or more of stock, including new acquisitions of or subscriptions to ten percent or more of the stock, shall be approved by the FDIC prior to the depository institution opening for business;
4. That Federal deposit insurance shall not become effective until the applicant has been established as a State member bank, that it has authority to conduct a banking business, and that its establishment and operation as a bank have been fully approved by the State authority;
5. That the bank shall operate within the parameters of the business plan submitted to the FDIC. During the first three years of operations, the bank shall notify the regional director of the FDIC and its primary Federal regulator of any proposed major deviation or material change from the submitted plan 60 days before consummation of the change.

6. That adequate fidelity bond coverage be obtained prior to opening the bank;
7. That an accrual accounting system be adopted for maintaining the bank's books;
8. That until the conditional commitment herein ORDERED becomes effective, the Corporation shall have the right to alter, suspend, or withdraw the said commitment should any interim development be deemed to warrant such action; and
9. That if deposit insurance has not become effective on or before October 31, 2008, or unless in the meantime, a request for an extension of time has been approved by the Corporation, the consent granted shall expire on said date.

Dated this 31st day of October, 2007.

FEDERAL DEPOSIT INSURANCE CORPORATION

By: (Signed) M. Anthony Lowe

M. Anthony Lowe
Acting Regional Director
Dallas Region