



September 14, 2007

Board of Directors  
Prestige Community Bank  
104 Pheasant Run  
Newtown, Pennsylvania

Subject: Prestige Community Bank (In Organization)  
Newtown, Pennsylvania

Dear Members of the Board:

Pursuant to the authority vested in me by the Corporation's Board of Directors, I have today approved the application filed by subject bank to modify the first condition in the Federal deposit insurance ORDER dated June 4, 2007. Based on the revised projections which include a renegotiated lease, reductions in the number of full time employees, and reductions in executive compensation, condition one is changed from beginning paid-in capital funds of not less than \$11,000,000 to not less than \$9,000,000. All other conditions remain as stated in the ORDER.

If an extension of the time limitation prescribed in the ORDER is required, a letter application requesting a specified extension should be submitted to this office.

Any questions you have may be directed to Case Manager Lisa Koch at (917) 320-2517.

Sincerely,

/s/

James C. Watkins  
Deputy Regional Director

cc: Pennsylvania Department of Banking  
Attorney David R. Payne of Stevens & Lee