

## FEDERAL DEPOSIT INSURANCE COMPANY

Re: Silver River Community Bank  
(In Organization)  
Ocala, Florida  
Application for Federal Deposit Insurance

### ORDER

The undersigned, acting on behalf of the Board of Directors of the FDIC, 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 Federal deposit insurance for Silver River Community Bank (“Bank”), a proposed new State nonmember bank to be located at 35 SE 1st Avenue, 1st Floor, Ocala, Marion County, Florida 34471, and has concluded that the application should be approved.

Accordingly, it is hereby ORDERED, for the reasons set forth in the attached Statement, that the application submitted by the Bank for Federal deposit insurance be, and the same hereby is, approved, subject to the following conditions:

- (1) That initial paid-in capital funds of not less than \$17,000,000 will be provided;
- (2) That the Bank’s Tier 1 capital-to-assets leverage ratio (as defined in the appropriate capital regulation and guidance) be maintained at not less than eight percent (8.00 %) throughout the first three years of operation and an adequate allowance for loan and lease losses be provided;
- (3) That any changes in the Bank's proposed management or proposed ownership of ten percent (10.00%) or more of the Bank's stock, including new acquisitions of or subscriptions to ten percent (10.00%) or more of stock, must be approved by the FDIC prior to the Bank's opening;
- (4) That during the first three years of operation, the Bank shall notify the FDIC Atlanta Regional Director of any plans to establish a loan production office at least 60 days prior to opening the facility;
- (5) That the Bank shall operate within the parameters of the business plan submitted to the FDIC. During the first three years of operation, the Bank must obtain prior written non-objection from the FDIC Atlanta Regional Director of any proposed major deviation or material change from the submitted business plan. The notice of any proposed change must be submitted at least 60 days before the intended consummation of the change;
- (6) That, with respect to any proposed director or senior executive officer of the Bank, the Bank shall take such action(s) as the FDIC Atlanta Regional Director may require if the FDIC objects to any such person based on information obtained during a background check. The term “senior executive officer” shall have the meaning set forth in 12 C.F.R. 303.10;

- (7) That the Bank will adopt an accrual accounting system for maintaining the financial records of the Bank in accordance with U.S. Generally Accepted Accounting Principles;
- (8) That the Bank must obtain adequate fidelity coverage prior to the Bank's opening;
- (9) That Federal deposit insurance will not become effective until the Bank has been granted a charter and has authority to conduct a banking business, and that its establishment and operation as a deposit institution has been fully approved by the appropriate federal and state supervisory authorities.
- (10) That the Bank shall obtain an audit of its financial statements by an independent public accountant annually for at least the first three years after deposit insurance is effective. The Bank shall submit to the FDIC Atlanta Regional Office (i) a copy of the audited annual financial statements and the independent public auditor's report thereon within 90 days after the end of the Bank's fiscal year, (ii) a copy of any other reports by the independent auditor (including any management letters) within 15 days after their receipt by the Bank, and (iii) written notification within 15 days when a change in the Bank's independent auditor occurs;
- (11) That the Bank shall revise the employee incentive plan to include risk metrics, such as past due ratios, loan grades, ACI ratio, or other relevant metrics to ensure appropriate risk and reward balance and be in conformance with Part 364, Appendix A, Interagency Guidelines Establishing Standards for Safety and Soundness;
- (12) That, until the FDIC's conditional commitment becomes effective, the FDIC retains the right to alter, suspend, or withdraw its commitment should any interim development be deemed by the FDIC to warrant such action; and,
- (13) That, if deposit insurance has not become effective within twelve months from the date of this ORDER, or unless, in the meantime, a request for an extension of time has been approved by the Corporation, the consent granted shall expire at the end of the said twelve-month period,

By Order of the Regional Director of the Atlanta Regional Office, acting pursuant to delegated authority for the Board of Directors of the FDIC.

Dated at Atlanta, Georgia, this 14<sup>th</sup> day of August, 2019.

By: /S/  
Michael J. Dean  
Regional Director  
Atlanta Region

**FEDERAL DEPOSIT INSURANCE CORPORATION**

Re: Silver River Community Bank  
(In organization)  
Ocala, Marion County, Florida

Application for Federal Deposit Insurance

**STATEMENT**

Pursuant to the provisions of Section 5 of the Federal Deposit Insurance Act ("FDI Act") (12 U.S.C. § 1815), the Federal Deposit Insurance Corporation ("FDIC") received an Interagency Charter and Federal Deposit Insurance Application on behalf of Silver River Community Bank, a proposed new state non-member bank that will be located in Ocala, Florida ("Bank"). The organizers concurrently applied to the Florida Office of Financial Regulation ("State") for a state bank charter.

Notice of the Federal deposit insurance application, in a form approved by the FDIC, was published pursuant to the FDI Act on January 9, 2019.

The organizers have not established a bank holding company. The opening capital of the Bank will be realized from a public offering of 1,700,000 shares of common stock at a price of \$10.00 per share. The Bank's business plan is to operate a state non-member bank that serves individuals, and small and medium-sized businesses located in Marion County, Florida. The Bank will offer traditional products and services and will be overseen by an experienced management team, including a diversified and knowledgeable Board of Directors who is committed to serving the Bank's local community.

The Bank will operate with sufficient capital and managerial resources to accomplish the strategies and goals in the business plan. The Bank will be capitalized with an amount sufficient to achieve and maintain a Tier 1 capital to assets leverage ratio, as defined in the capital regulations of the FDIC, of not less than eight percent (8.00%) throughout the Bank's first three years of operation. Projected growth and earnings appear attainable. The Bank's plans appear to satisfy the convenience and needs of the community. Corporate powers to be exercised are consistent with the purposes of the FDI Act, and no undue risk to the Deposit Insurance Fund is evident.

Accordingly, based upon a careful evaluation of all available facts and information, and in consideration of the factors of Section 6 of the FDI Act, the Atlanta Regional Director, pursuant to delegated authority, has concluded that approval of the application is warranted, subject to certain prudential conditions.

**REGIONAL DIRECTOR  
DIVISION OF RISK MANAGEMENT SUPERVISION  
FEDERAL DEPOSIT INSURANCE CORPORATION**