

Bank shall continue to reduce the total volume of adversely classified assets. The plan may include a provision for increasing Tier 1 Capital when necessary to achieve the ratio prescribed in paragraph 8(b)(ii).

(e) Within 60 days of the effective date of this ORDER, the Bank shall submit the plan to the Supervisory Authorities for review and comment. Within 30 days from receipt of any comment from the Supervisory Authorities, and after due consideration of any recommended changes, the Bank shall approve the plan, which approval shall be recorded in the minutes of the Board meeting. Thereafter, the Bank shall implement and fully comply with the plan. Such plan shall be monitored and progress reports thereon shall be submitted to the Supervisory Authorities at 90-day intervals concurrent with the other reporting requirements set forth in this ORDER.

NO ADDITIONAL CREDIT

9. (a) While this ORDER is in effect, the Bank shall not extend, directly or indirectly, any additional credit to, or for the benefit of, any borrower who has a loan or other extension of credit or obligation with the Bank that has been, in whole or in part, charged off or classified "Loss" or "Doubtful" and is uncollected. The requirements of this paragraph shall not prohibit the Bank from renewing, after collecting in cash all interest and fees due from a borrower, any credit already extended to the borrower.

(b) While this ORDER is in effect, the Bank shall not extend, directly or indirectly, any additional credit to, or for the benefit of, any borrower whose loan is adversely classified as "Substandard" by the Supervisory Authorities and is uncollected.

(c) Paragraph 9(b) shall not apply if the Bank's failure to extend further credit to a particular borrower would be detrimental to the best interests of the Bank. Prior to

extending additional credit pursuant to this paragraph 9, whether in the form of a renewal, extension, or further advance of funds, such additional credit shall be approved by the Bank's Board, or a designated committee thereof, who shall certify, in writing:

- (i) why failure of the Bank to extend such credit would be detrimental to the best interests of the Bank;
- (ii) why the extension of such credit would improve the Bank's position, including an explanatory statement of how the Bank's position would improve; and
- (iii) that an appropriate workout plan has been developed and will be implemented in conjunction with the additional credit to be extended.

(d) The signed certification shall be made a part of the minutes of the Board meeting, or designated committee, with a copy retained in the borrower's credit file.

NO MATERIAL GROWTH WITHOUT PRIOR NOTICE

10. While this Order is in effect, the Bank must notify the Supervisory Authorities at least 60 days prior to undertaking asset growth of 10% or more or initiating material changes in asset or liability composition. In no event shall asset growth result in non-compliance with the capital maintenance provisions of this ORDER without receiving prior written approval of the Supervisory Authorities.

EARNINGS

11. Within thirty (30) days from the effective date of this ORDER, the Board shall develop and fully implement a written profit plan consisting of goals and strategies, consistent with sound banking practices, and taking into account the Bank's other written

plans, policies, or other actions as required by this ORDER. The profit plan and any subsequent modification thereto shall be submitted to the Supervisory Authorities for review and comment. No more than 30 days after the receipt of any comment from the Supervisory Authorities, the Board shall approve the profit plan which approval shall be recorded in the minutes of the meeting of the Board. Thereafter, the Bank, its directors, officers, and employees shall fully implement the profit plan and any subsequently approved modification. The written profit plan shall include, at a minimum:

- (i) a detailed expense structure review to ensure that unnecessary expenses are curtailed;
- (ii) the major areas and timetables the Board will seek to improve the Bank's operating performance and reverse operational losses;
- (iii) a budget which incorporates realistic and comprehensive assumptions;
- (iv) a budget review process which compares actual income and expenses with projections on a percentage basis; and
- (v) a description of the assumptions that support projected income and expense components.

LENDING AND COLLECTION POLICIES

12. Within 60 days from the effective date of this ORDER, the Bank shall revise, adopt, and implement a written lending and collection policy to provide effective guidance and control over the Bank's lending function, which policy shall include, at a minimum, revisions to address all items of criticism enumerated on page 9 of the May 26, 2009 Report of Examination as well as specific guidelines for placing loans on a non-

accrual basis. In addition, the Bank shall obtain adequate and current documentation for all loans in the Bank's loan portfolio. Such policy and its implementation shall be in a form and manner acceptable to the Supervisory Authorities as determined at subsequent examinations and/or visitations.

VIOLATIONS OF REGULATION AND CONTRAVENTIONS OF STATEMENTS OF POLICY

13. Within 60 days from the effective date of this ORDER, the Bank shall eliminate and/or correct all violations of regulation and contraventions of statements of policy, which are more fully set out on pages 11 and 12 of the Report. In addition, the Bank shall take all necessary steps to ensure future compliance with all applicable laws, regulations, statements of policy, and regulatory guidance.

BROKERED DEPOSITS

14. (a) During the life of this ORDER, the Bank shall not accept, renew, or rollover brokered deposits without obtaining a brokered deposit waiver approved by the FDIC pursuant to section 29 of the Act, 12 U.S.C. § 1831f. For purposes of this ORDER, brokered deposits are defined as described in section 337.6(a)(2) of the FDIC's Rules and Regulations, 12 C.F.R. § 337.6(a)(2) to include any deposits funded by third party agents or nominees for depositors, including depositors managed by a trustee or custodian when each individual beneficial interest is entitled to a right to federal deposit insurance.

(b) The Bank shall comply with the restrictions on the effective yields on deposits described in 12 C.F.R. § 337.6.

DISCLOSURE TO SHAREHOLDERS

15. Following the issuance of this ORDER, the Bank shall provide to its shareholders or otherwise furnish a description of this ORDER (i) in conjunction with the Bank's next

shareholder communication or (ii) in conjunction with its notice or proxy statement preceding the Bank's next shareholder meeting. The description shall fully describe the ORDER in all material respects. The description and any accompanying communication, statement, or notice shall be sent to the FDIC, Division of Supervision and Consumer Protection, Accounting and Securities Disclosure Section, 550 17th Street, N.W., Room F-6066, Washington, D.C. 20429 and to the Commissioner, Georgia Department of Banking and Finance, 2990 Brandywine Road, Suite 200, Atlanta, Georgia 30341-5565, to review at least twenty (20) days prior to dissemination to shareholders. Any changes requested to be made by the FDIC and the Commissioner shall be made prior to dissemination of the description, communication, notice, or statement.

PROGRESS REPORTS

16. Within 30 days of the end of the first quarter following the effective date of this ORDER, and within 30 days of the end of each quarter thereafter, the Bank shall furnish written progress reports to the Supervisory Authorities detailing the form and manner of any actions taken to secure compliance with this ORDER and the results thereof. Such reports shall include a copy of the Bank's Report of Condition and the Bank's Report of Income. Such reports may be discontinued when the corrections required by this ORDER have been accomplished and the Supervisory Authorities have released the Bank in writing from making further reports.

The provisions of this ORDER shall not bar, estop, or otherwise prevent the FDIC or any other federal or state agency or department from taking any other action against the Bank or any of the Bank's current or former institution-affiliated parties.

This ORDER shall become effective on the date of issuance.

The provisions of this ORDER shall be binding upon the Bank, its institution-affiliated parties, and any successors and assigns thereof.

The provisions of this ORDER shall remain effective and enforceable except to the extent that and until such time as any provision has been modified, terminated, suspended, or set aside in writing.

Pursuant to delegated authority.

Dated this 28th day of January, 2010.

/s/
Doreen R. Eberley
Acting Regional Director
Division of Supervision and Consumer
Protection
Atlanta Region
Federal Deposit Insurance Corporation

The Georgia Department of Banking and Finance (“Department”), having duly approved the foregoing ORDER, and the Bank, through its Board, agree that the issuance of said ORDER by the FDIC shall be binding as between the Bank and the Georgia Commissioner of Banking and Finance to the same degree and to the same legal effect that such ORDER would be binding if the Department had issued a separate ORDER that included and incorporated all of the provisions of the foregoing ORDER, pursuant to Official Code of Georgia Annotated § 7-1-91, Ga. Code. Ann. § 7-1-91 (1985).

Dated this 28th of January, 2010.

/s/
Robert M. Braswell
Commissioner
Department of Banking and Finance
State of Georgia