

UNITED STATES DEPARTMENT OF THE TREASURY
1500 PENNSYLVANIA AVENUE, NW
WASHINGTON, D.C. 20220

Dear Ladies and Gentlemen:

The company set forth on the signature page hereto (the "*Company*") intends to issue in a private placement the number of shares of a series of its preferred stock set forth on Schedule A hereto (the "*Preferred Shares*") and a warrant to purchase the number of shares of a series of its preferred stock set forth on Schedule A hereto (the "*Warrant*" and, together with the Preferred Shares, the "*Purchased Securities*") and the United States Department of the Treasury (the "*Investor*") intends to purchase from the Company the Purchased Securities.

The purpose of this letter agreement is to confirm the terms and conditions of the purchase by the Investor of the Purchased Securities. Except to the extent supplemented or superseded by the terms set forth herein or in the Schedules hereto, the provisions contained in the Securities Purchase Agreement – Standard Terms attached hereto as Exhibit A (the "*Securities Purchase Agreement*") are incorporated by reference herein. Terms that are defined in the Securities Purchase Agreement are used in this letter agreement as so defined. In the event of any inconsistency between this letter agreement and the Securities Purchase Agreement, the terms of this letter agreement shall govern.

Each of the Company and the Investor hereby confirms its agreement with the other party with respect to the issuance by the Company of the Purchased Securities and the purchase by the Investor of the Purchased Securities pursuant to this letter agreement and the Securities Purchase Agreement on the terms specified on Schedule A hereto.

This letter agreement (including the Schedules hereto), the Securities Purchase Agreement (including the Annexes thereto), the Disclosure Schedules and the Warrant constitute the entire agreement, and supersede all other prior agreements, understandings, representations and warranties, both written and oral, between the parties, with respect to the subject matter hereof. This letter agreement constitutes the "Letter Agreement" referred to in the Securities Purchase Agreement.

This letter agreement may be executed in any number of separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts will together constitute the same agreement. Executed signature pages to this letter agreement may be delivered by facsimile and such facsimiles will be deemed as sufficient as if actual signature pages had been delivered.

* * *

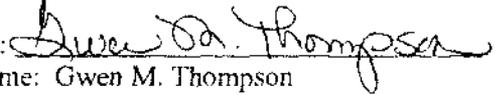
In witness whereof, this letter agreement has been duly executed and delivered by the duly authorized representatives of the parties hereto as of the date written below.

UNITED STATES DEPARTMENT OF THE
TREASURY

By: 

Name: Neal Kashkari
Title: Interim Assistant Secretary
For Financial Stability

CLOVER COMMUNITY BANKSHARES, INC.

By: 

Name: Gwen M. Thompson
Title: Chief Executive Officer

Date: March 27, 2009

In witness whereof, this letter agreement has been duly executed and delivered by the duly authorized representatives of the parties hereto as of the date written below.

UNITED STATES DEPARTMENT OF THE
TREASURY

By: _____
Name:
Title:

CLOVER COMMUNITY BANKSHARES, INC.

By: Gwen M. Thompson
Name: Gwen M. Thompson
Title: Chief Executive Officer

Date: March 27, 2009

SECURITIES PURCHASE AGREEMENT

EXHIBIT A
(Non-Exchange-Traded QFIs, excluding S Corps
and Mutual Organizations)

SECURITIES PURCHASE AGREEMENT

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SECURITIES PURCHASE AGREEMENT – STANDARD TERMS

Recitals:

WHEREAS, the United States Department of the Treasury (the “*Investor*”) may from time to time agree to purchase shares of preferred stock and warrants from eligible financial institutions which elect to participate in the Troubled Asset Relief Program Capital Purchase Program (“*CPP*”);

WHEREAS, an eligible financial institution electing to participate in the CPP and issue securities to the Investor (referred to herein as the “*Company*”) shall enter into a letter agreement (the “*Letter Agreement*”) with the Investor which incorporates this Securities Purchase Agreement -- Standard Terms;

WHEREAS, the Company agrees to expand the flow of credit to U.S. consumers and businesses on competitive terms to promote the sustained growth and vitality of the U.S. economy;

WHEREAS, the Company agrees to work diligently, under existing programs, to modify the terms of residential mortgages as appropriate to strengthen the health of the U.S. housing market;

WHEREAS, the Company intends to issue in a private placement the number of shares of the series of its Preferred Stock (“*Preferred Stock*”) set forth on Schedule A to the Letter Agreement (the “*Preferred Shares*”) and a warrant to purchase the number of shares of the series of its Preferred Stock (“*Warrant Preferred Stock*”) set forth on Schedule A to the Letter Agreement (the “*Warrant*” and, together with the Preferred Shares, the “*Purchased Securities*”) and the Investor intends to purchase (the “*Purchase*”) from the Company the Purchased Securities; and

WHEREAS, the Purchase will be governed by this Securities Purchase Agreement – Standard Terms and the Letter Agreement, including the schedules thereto (the “*Schedules*”), specifying additional terms of the Purchase. This Securities Purchase Agreement – Standard Terms (including the Annexes hereto) and the Letter Agreement (including the Schedules thereto) are together referred to as this “*Agreement*”. All references in this Securities Purchase Agreement – Standard Terms to “*Schedules*” are to the Schedules attached to the Letter Agreement.

NOW, THEREFORE, in consideration of the premises, and of the representations, warranties, covenants and agreements set forth herein, the parties agree as follows:

Article I Purchase; Closing

1.1 Purchase. On the terms and subject to the conditions set forth in this Agreement, the Company agrees to sell to the Investor, and the Investor agrees to

purchase from the Company, at the Closing (as hereinafter defined), the Purchased Securities for the price set forth on Schedule A (the "*Purchase Price*").

1.2 Closing.

(a) On the terms and subject to the conditions set forth in this Agreement, the closing of the Purchase (the "*Closing*") will take place at the location specified in Schedule A, at the time and on the date set forth in Schedule A or as soon as practicable thereafter, or at such other place, time and date as shall be agreed between the Company and the Investor. The time and date on which the Closing occurs is referred to in this Agreement as the "*Closing Date*".

(b) Subject to the fulfillment or waiver of the conditions to the Closing in this Section 1.2, at the Closing the Company will deliver the Preferred Shares and the Warrant, in each case as evidenced by one or more certificates dated the Closing Date and bearing appropriate legends as hereinafter provided for, in exchange for payment in full of the Purchase Price by wire transfer of immediately available United States funds to a bank account designated by the Company on Schedule A.

(c) The respective obligations of each of the Investor and the Company to consummate the Purchase are subject to the fulfillment (or waiver by the Investor and the Company, as applicable) prior to the Closing of the conditions that (i) any approvals or authorizations of all United States and other governmental, regulatory or judicial authorities (collectively, "*Governmental Entities*") required for the consummation of the Purchase shall have been obtained or made in form and substance reasonably satisfactory to each party and shall be in full force and effect and all waiting periods required by United States and other applicable law, if any, shall have expired and (ii) no provision of any applicable United States or other law and no judgment, injunction, order or decree of any Governmental Entity shall prohibit the purchase and sale of the Purchased Securities as contemplated by this Agreement.

(d) The obligation of the Investor to consummate the Purchase is also subject to the fulfillment (or waiver by the Investor) at or prior to the Closing of each of the following conditions:

(i) (A) the representations and warranties of the Company set forth in (x) Section 2.2(g) of this Agreement shall be true and correct in all respects as though made on and as of the Closing Date, (y) Sections 2.2(a) through (f) shall be true and correct in all material respects as though made on and as of the Closing Date (other than representations and warranties that by their terms speak as of another date, which representations and warranties shall be true and correct in all material respects as of such other date) and (z) Sections 2.2(h) through (v) (disregarding all qualifications or limitations set forth in such representations and warranties as to "materiality", "Company Material Adverse Effect" and words of similar import) shall be true and correct as though made on and as of the Closing Date (other than representations and warranties that by their terms speak as of another date, which representations and warranties shall be true and correct as of

such other date), except to the extent that the failure of such representations and warranties referred to in this Section 1.2(d)(i)(A)(z) to be so true and correct, individually or in the aggregate, does not have and would not reasonably be expected to have a Company Material Adverse Effect and (B) the Company shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing;

(ii) the Investor shall have received a certificate signed on behalf of the Company by a senior executive officer certifying to the effect that the conditions set forth in Section 1.2(d)(i) have been satisfied;

(iii) the Company shall have duly adopted and filed with the Secretary of State of its jurisdiction of organization or other applicable Governmental Entity the amendments to its certificate or articles of incorporation, articles of association, or similar organizational document ("*Charter*") in substantially the forms attached hereto as Annex A and Annex B (the "*Certificates of Designations*") and such filing shall have been accepted;

(iv) (A) the Company shall have effected such changes to its compensation, bonus, incentive and other benefit plans, arrangements and agreements (including golden parachute, severance and employment agreements) (collectively, "*Benefit Plans*") with respect to its Senior Executive Officers (and to the extent necessary for such changes to be legally enforceable, each of its Senior Executive Officers shall have duly consented in writing to such changes), as may be necessary, during the period that the Investor owns any debt or equity securities of the Company acquired pursuant to this Agreement or the Warrant, in order to comply with Section 111(b) of the Emergency Economic Stabilization Act of 2008 ("*EESA*") as implemented by guidance or regulation thereunder that has been issued and is in effect as of the Closing Date, and (B) the Investor shall have received a certificate signed on behalf of the Company by a senior executive officer certifying to the effect that the condition set forth in Section 1.2(d)(iv)(A) has been satisfied;

(v) each of the Company's Senior Executive Officers shall have delivered to the Investor a written waiver in the form attached hereto as Annex C releasing the Investor from any claims that such Senior Executive Officers may otherwise have as a result of the issuance, on or prior to the Closing Date, of any regulations which require the modification of, and the agreement of the Company hereunder to modify, the terms of any Benefit Plans with respect to its Senior Executive Officers to eliminate any provisions of such Benefit Plans that would not be in compliance with the requirements of Section 111(b) of the EESA as implemented by guidance or regulation thereunder that has been issued and is in effect as of the Closing Date;

(vi) the Company shall have delivered to the Investor a written opinion from counsel to the Company (which may be internal counsel), addressed to the

Investor and dated as of the Closing Date, in substantially the form attached hereto as Annex D;

(vii) the Company shall have delivered certificates in proper form or, with the prior consent of the Investor, evidence of shares in book-entry form, evidencing the Preferred Shares to Investor or its designee(s); and

(viii) the Company shall have duly executed the Warrant in substantially the form attached hereto as Annex E and delivered such executed Warrant to the Investor or its designee(s).

1.3 Interpretation. When a reference is made in this Agreement to “Recitals,” “Articles,” “Sections,” or “Annexes” such reference shall be to a Recital, Article or Section of, or Annex to, this Securities Purchase Agreement – Standard Terms, and a reference to “Schedules” shall be to a Schedule to the Letter Agreement, in each case, unless otherwise indicated. The terms defined in the singular have a comparable meaning when used in the plural, and vice versa. References to “herein”, “hereof”, “hereunder” and the like refer to this Agreement as a whole and not to any particular section or provision, unless the context requires otherwise. The table of contents and headings contained in this Agreement are for reference purposes only and are not part of this Agreement. Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed followed by the words “without limitation.” No rule of construction against the draftsman shall be applied in connection with the interpretation or enforcement of this Agreement, as this Agreement is the product of negotiation between sophisticated parties advised by counsel. All references to “\$” or “dollars” mean the lawful currency of the United States of America. Except as expressly stated in this Agreement, all references to any statute, rule or regulation are to the statute, rule or regulation as amended, modified, supplemented or replaced from time to time (and, in the case of statutes, include any rules and regulations promulgated under the statute) and to any section of any statute, rule or regulation include any successor to the section. References to a “*business day*” shall mean any day except Saturday, Sunday and any day on which banking institutions in the State of New York generally are authorized or required by law or other governmental actions to close.

Article II Representations and Warranties

2.1 Disclosure.

(a) On or prior to the Signing Date, the Company delivered to the Investor a schedule (“*Disclosure Schedule*”) setting forth, among other things, items the disclosure of which is necessary or appropriate either in response to an express disclosure requirement contained in a provision hereof or as an exception to one or more representations or warranties contained in Section 2.2.

(b) “*Company Material Adverse Effect*” means a material adverse effect on (i) the business, results of operation or financial condition of the Company and its

consolidated subsidiaries taken as a whole; *provided, however*, that Company Material Adverse Effect shall not be deemed to include the effects of (A) changes after the date of the Letter Agreement (the “*Signing Date*”) in general business, economic or market conditions (including changes generally in prevailing interest rates, credit availability and liquidity, currency exchange rates and price levels or trading volumes in the United States or foreign securities or credit markets), or any outbreak or escalation of hostilities, declared or undeclared acts of war or terrorism, in each case generally affecting the industries in which the Company and its subsidiaries operate, (B) changes or proposed changes after the Signing Date in generally accepted accounting principles in the United States (“*GAAP*”) or regulatory accounting requirements, or authoritative interpretations thereof, or (C) changes or proposed changes after the Signing Date in securities, banking and other laws of general applicability or related policies or interpretations of Governmental Entities (in the case of each of these clauses (A), (B) and (C), other than changes or occurrences to the extent that such changes or occurrences have or would reasonably be expected to have a materially disproportionate adverse effect on the Company and its consolidated subsidiaries taken as a whole relative to comparable U.S. banking or financial services organizations); or (ii) the ability of the Company to consummate the Purchase and other transactions contemplated by this Agreement and the Warrant and perform its obligations hereunder or thereunder on a timely basis.

(c) “*Previously Disclosed*” means information set forth on the Disclosure Schedule, provided, however, that disclosure in any section of such Disclosure Schedule shall apply only to the indicated section of this Agreement except to the extent that it is reasonably apparent from the face of such disclosure that such disclosure is relevant to another section of this Agreement.

2.2 Representations and Warranties of the Company. Except as Previously Disclosed, the Company represents and warrants to the Investor that as of the Signing Date and as of the Closing Date (or such other date specified herein):

(a) Organization, Authority and Significant Subsidiaries. The Company has been duly incorporated and is validly existing and in good standing under the laws of its jurisdiction of organization, with the necessary power and authority to own its properties and conduct its business in all material respects as currently conducted, and except as has not, individually or in the aggregate, had and would not reasonably be expected to have a Company Material Adverse Effect, has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification; each subsidiary of the Company that would be considered a “significant subsidiary” within the meaning of Rule 1-02(w) of Regulation S-X under the Securities Act of 1933 (the “*Securities Act*”), has been duly organized and is validly existing in good standing under the laws of its jurisdiction of organization. The Charter and bylaws of the Company, copies of which have been provided to the Investor prior to the Signing Date, are true, complete and correct copies of such documents as in full force and effect as of the Signing Date.

(b) Capitalization. The authorized capital stock of the Company, and the outstanding capital stock of the Company (including securities convertible into, or exercisable or exchangeable for, capital stock of the Company) as of the most recent fiscal month-end preceding the Signing Date (the "*Capitalization Date*") is set forth on Schedule B. The outstanding shares of capital stock of the Company have been duly authorized and are validly issued and outstanding, fully paid and nonassessable, and subject to no preemptive rights (and were not issued in violation of any preemptive rights). As of the Signing Date, the Company does not have outstanding any securities or other obligations providing the holder the right to acquire its Common Stock ("*Common Stock*") that is not reserved for issuance as specified on Schedule B, and the Company has not made any other commitment to authorize, issue or sell any Common Stock. Since the Capitalization Date, the Company has not issued any shares of Common Stock, other than (i) shares issued upon the exercise of stock options or delivered under other equity-based awards or other convertible securities or warrants which were issued and outstanding on the Capitalization Date and disclosed on Schedule B and (ii) shares disclosed on Schedule B. Each holder of 5% or more of any class of capital stock of the Company and such holder's primary address are set forth on Schedule B.

(c) Preferred Shares. The Preferred Shares have been duly and validly authorized, and, when issued and delivered pursuant to this Agreement, such Preferred Shares will be duly and validly issued and fully paid and non-assessable, will not be issued in violation of any preemptive rights, and will rank *pari passu* with or senior to all other series or classes of Preferred Stock, whether or not issued or outstanding, with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Company.

(d) The Warrant and Warrant Shares. The Warrant has been duly authorized and, when executed and delivered as contemplated hereby, will constitute a valid and legally binding obligation of the Company enforceable against the Company in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general equitable principles, regardless of whether such enforceability is considered in a proceeding at law or in equity ("*Bankruptcy Exceptions*"). The shares of Warrant Preferred Stock issuable upon exercise of the Warrant (the "*Warrant Shares*") have been duly authorized and reserved for issuance upon exercise of the Warrant and when so issued in accordance with the terms of the Warrant will be validly issued, fully paid and non-assessable, and will rank *pari passu* with or senior to all other series or classes of Preferred Stock, whether or not issued or outstanding, with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Company.

(e) Authorization, Enforceability.

(i) The Company has the corporate power and authority to execute and deliver this Agreement and the Warrant and to carry out its obligations hereunder and thereunder (which includes the issuance of the Preferred Shares, Warrant and Warrant Shares). The execution, delivery and performance by the Company of this Agreement and the Warrant and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Company and its stockholders, and no further approval or authorization is required on the part of the Company. This Agreement is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to the Bankruptcy Exceptions.

(ii) The execution, delivery and performance by the Company of this Agreement and the Warrant and the consummation of the transactions contemplated hereby and thereby and compliance by the Company with the provisions hereof and thereof, will not (A) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration of, or result in the creation of, any lien, security interest, charge or encumbrance upon any of the properties or assets of the Company or any subsidiary of the Company (each a "*Company Subsidiary*" and, collectively, the "*Company Subsidiaries*") under any of the terms, conditions or provisions of (i) its organizational documents or (ii) any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which the Company or any Company Subsidiary is a party or by which it or any Company Subsidiary may be bound, or to which the Company or any Company Subsidiary or any of the properties or assets of the Company or any Company Subsidiary may be subject, or (B) subject to compliance with the statutes and regulations referred to in the next paragraph, violate any statute, rule or regulation or any judgment, ruling, order, writ, injunction or decree applicable to the Company or any Company Subsidiary or any of their respective properties or assets except, in the case of clauses (A)(ii) and (B), for those occurrences that, individually or in the aggregate, have not had and would not reasonably be expected to have a Company Material Adverse Effect.

(iii) Other than the filing of the Certificates of Designations with the Secretary of State of its jurisdiction of organization or other applicable Governmental Entity, such filings and approvals as are required to be made or obtained under any state "blue sky" laws and such as have been made or obtained, no notice to, filing with, exemption or review by, or authorization, consent or approval of, any Governmental Entity is required to be made or obtained by the Company in connection with the consummation by the Company of the Purchase except for any such notices, filings, exemptions, reviews, authorizations, consents and approvals the failure of which to make or obtain would not, individually or in

the aggregate, reasonably be expected to have a Company Material Adverse Effect.

(f) Anti-takeover Provisions and Rights Plan. The Board of Directors of the Company (the “*Board of Directors*”) has taken all necessary action to ensure that the transactions contemplated by this Agreement and the Warrant and the consummation of the transactions contemplated hereby and thereby, including the exercise of the Warrant in accordance with its terms, will be exempt from any anti-takeover or similar provisions of the Company’s Charter and bylaws, and any other provisions of any applicable “moratorium”, “control share”, “fair price”, “interested stockholder” or other anti-takeover laws and regulations of any jurisdiction.

(g) No Company Material Adverse Effect. Since the last day of the last completed fiscal period for which financial statements are included in the Company Financial Statements (as defined below), no fact, circumstance, event, change, occurrence, condition or development has occurred that, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect.

(h) Company Financial Statements. The Company has Previously Disclosed each of the consolidated financial statements of the Company and its consolidated subsidiaries for each of the last three completed fiscal years of the Company (which shall be audited to the extent audited financial statements are available prior to the Signing Date) and each completed quarterly period since the last completed fiscal year (collectively the “*Company Financial Statements*”). The Company Financial Statements present fairly in all material respects the consolidated financial position of the Company and its consolidated subsidiaries as of the dates indicated therein and the consolidated results of their operations for the periods specified therein; and except as stated therein, such financial statements (A) were prepared in conformity with GAAP applied on a consistent basis (except as may be noted therein) and (B) have been prepared from, and are in accordance with, the books and records of the Company and the Company Subsidiaries.

(i) Reports.

(i) Since December 31, 2006, the Company and each Company Subsidiary has filed all reports, registrations, documents, filings, statements and submissions, together with any amendments thereto, that it was required to file with any Governmental Entity (the foregoing, collectively, the “*Company Reports*”) and has paid all fees and assessments due and payable in connection therewith, except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect. As of their respective dates of filing, the Company Reports complied in all material respects with all statutes and applicable rules and regulations of the applicable Governmental Entities.

(ii) The records, systems, controls, data and information of the Company and the Company Subsidiaries are recorded, stored, maintained and

operated under means (including any electronic, mechanical or photographic process, whether computerized or not) that are under the exclusive ownership and direct control of the Company or the Company Subsidiaries or their accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be expected to have a material adverse effect on the system of internal accounting controls described below in this Section 2.2(i)(ii). The Company (A) has implemented and maintains adequate disclosure controls and procedures to ensure that material information relating to the Company, including the consolidated Company Subsidiaries, is made known to the chief executive officer and the chief financial officer of the Company by others within those entities, and (B) has disclosed, based on its most recent evaluation prior to the Signing Date, to the Company's outside auditors and the audit committee of the Board of Directors (x) any significant deficiencies and material weaknesses in the design or operation of internal controls that are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and (y) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

(j) No Undisclosed Liabilities. Neither the Company nor any of the Company Subsidiaries has any liabilities or obligations of any nature (absolute, accrued, contingent or otherwise) which are not properly reflected or reserved against in the Company Financial Statements to the extent required to be so reflected or reserved against in accordance with GAAP, except for (A) liabilities that have arisen since the last fiscal year end in the ordinary and usual course of business and consistent with past practice and (B) liabilities that, individually or in the aggregate, have not had and would not reasonably be expected to have a Company Material Adverse Effect.

(k) Offering of Securities. Neither the Company nor any person acting on its behalf has taken any action (including any offering of any securities of the Company under circumstances which would require the integration of such offering with the offering of any of the Purchased Securities under the Securities Act, and the rules and regulations of the Securities and Exchange Commission (the "SEC") promulgated thereunder), which might subject the offering, issuance or sale of any of the Purchased Securities to Investor pursuant to this Agreement to the registration requirements of the Securities Act.

(l) Litigation and Other Proceedings. Except (i) as set forth on Schedule C or (ii) as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, there is no (A) pending or, to the knowledge of the Company, threatened, claim, action, suit, investigation or proceeding, against the Company or any Company Subsidiary or to which any of their assets are subject nor is the Company or any Company Subsidiary subject to any order, judgment or decree or (B) unresolved violation, criticism or exception by any Governmental Entity with respect to any report or relating to any examinations or inspections of the Company or any Company Subsidiaries.

(m) Compliance with Laws. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, the Company and the Company Subsidiaries have all permits, licenses, franchises, authorizations, orders and approvals of, and have made all filings, applications and registrations with, Governmental Entities that are required in order to permit them to own or lease their properties and assets and to carry on their business as presently conducted and that are material to the business of the Company or such Company Subsidiary. Except as set forth on Schedule D, the Company and the Company Subsidiaries have complied in all respects and are not in default or violation of, and none of them is, to the knowledge of the Company, under investigation with respect to or, to the knowledge of the Company, have been threatened to be charged with or given notice of any violation of, any applicable domestic (federal, state or local) or foreign law, statute, ordinance, license, rule, regulation, policy or guideline, order, demand, writ, injunction, decree or judgment of any Governmental Entity, other than such noncompliance, defaults or violations that would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect. Except for statutory or regulatory restrictions of general application or as set forth on Schedule D, no Governmental Entity has placed any restriction on the business or properties of the Company or any Company Subsidiary that would, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

(n) Employee Benefit Matters. Except as would not reasonably be expected to have, either individually or in the aggregate, a Company Material Adverse Effect: (A) each “employee benefit plan” (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”)) providing benefits to any current or former employee, officer or director of the Company or any member of its “Controlled Group” (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414 of the Internal Revenue Code of 1986, as amended (the “Code”)) that is sponsored, maintained or contributed to by the Company or any member of its Controlled Group and for which the Company or any member of its Controlled Group would have any liability, whether actual or contingent (each, a “Plan”) has been maintained in compliance with its terms and with the requirements of all applicable statutes, rules and regulations, including ERISA and the Code; (B) with respect to each Plan subject to Title IV of ERISA (including, for purposes of this clause (B), any plan subject to Title IV of ERISA that the Company or any member of its Controlled Group previously maintained or contributed to in the six years prior to the Signing Date), (1) no “reportable event” (within the meaning of Section 4043(c) of ERISA), other than a reportable event for which the notice period referred to in Section 4043(c) of ERISA has been waived, has occurred in the three years prior to the Signing Date or is reasonably expected to occur, (2) no “accumulated funding deficiency” (within the meaning of Section 302 of ERISA or Section 412 of the Code), whether or not waived, has occurred in the three years prior to the Signing Date or is reasonably expected to occur, (3) the fair market value of the assets under each Plan exceeds the present value of all benefits accrued under such Plan (determined based on the assumptions used to fund such Plan) and (4) neither the Company nor any member of its Controlled Group has incurred in the six years prior to the Signing Date, or reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the

Plan or premiums to the PBGC in the ordinary course and without default) in respect of a Plan (including any Plan that is a “multiemployer plan”, within the meaning of Section 4001(c)(3) of ERISA); and (C) each Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service with respect to its qualified status that has not been revoked, or such a determination letter has been timely applied for but not received by the Signing Date, and nothing has occurred, whether by action or by failure to act, which could reasonably be expected to cause the loss, revocation or denial of such qualified status or favorable determination letter.

(o) Taxes. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, (i) the Company and the Company Subsidiaries have filed all federal, state, local and foreign income and franchise Tax returns required to be filed through the Signing Date, subject to permitted extensions, and have paid all Taxes due thereon, and (ii) no Tax deficiency has been determined adversely to the Company or any of the Company Subsidiaries, nor does the Company have any knowledge of any Tax deficiencies. “Tax” or “Taxes” means any federal, state, local or foreign income, gross receipts, property, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or add on minimum, ad valorem, transfer or excise tax, or any other tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty, imposed by any Governmental Entity.

(p) Properties and Leases. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, the Company and the Company Subsidiaries have good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens, encumbrances, claims and defects that would affect the value thereof or interfere with the use made or to be made thereof by them. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, the Company and the Company Subsidiaries hold all leased real or personal property under valid and enforceable leases with no exceptions that would interfere with the use made or to be made thereof by them.

(q) Environmental Liability. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect:

(i) there is no legal, administrative, or other proceeding, claim or action of any nature seeking to impose, or that would reasonably be expected to result in the imposition of, on the Company or any Company Subsidiary, any liability relating to the release of hazardous substances as defined under any local, state or federal environmental statute, regulation or ordinance, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, pending or, to the Company’s knowledge, threatened against the Company or any Company Subsidiary;

(ii) to the Company's knowledge, there is no reasonable basis for any such proceeding, claim or action; and

(iii) neither the Company nor any Company Subsidiary is subject to any agreement, order, judgment or decree by or with any court, Governmental Entity or third party imposing any such environmental liability.

(r) Risk Management Instruments. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, all derivative instruments, including, swaps, caps, floors and option agreements, whether entered into for the Company's own account, or for the account of one or more of the Company Subsidiaries or its or their customers, were entered into (i) only in the ordinary course of business, (ii) in accordance with prudent practices and in all material respects with all applicable laws, rules, regulations and regulatory policies and (iii) with counterparties believed to be financially responsible at the time; and each of such instruments constitutes the valid and legally binding obligation of the Company or one of the Company Subsidiaries, enforceable in accordance with its terms, except as may be limited by the Bankruptcy Exceptions. Neither the Company or the Company Subsidiaries, nor, to the knowledge of the Company, any other party thereto, is in breach of any of its obligations under any such agreement or arrangement other than such breaches that would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

(s) Agreements with Regulatory Agencies. Except as set forth on Schedule E, neither the Company nor any Company Subsidiary is subject to any material cease-and-desist or other similar order or enforcement action issued by, or is a party to any material written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any capital directive by, or since December 31, 2006, has adopted any board resolutions at the request of, any Governmental Entity (other than the Appropriate Federal Banking Agencies with jurisdiction over the Company and the Company Subsidiaries) that currently restricts in any material respect the conduct of its business or that in any material manner relates to its capital adequacy, its liquidity and funding policies and practices, its ability to pay dividends, its credit, risk management or compliance policies or procedures, its internal controls, its management or its operations or business (each item in this sentence, a "*Regulatory Agreement*"). nor has the Company or any Company Subsidiary been advised since December 31, 2006 by any such Governmental Entity that it is considering issuing, initiating, ordering, or requesting any such Regulatory Agreement. The Company and each Company Subsidiary are in compliance in all material respects with each Regulatory Agreement to which it is party or subject, and neither the Company nor any Company Subsidiary has received any notice from any Governmental Entity indicating that either the Company or any Company Subsidiary is not in compliance in all material respects with any such Regulatory Agreement. "*Appropriate Federal Banking Agency*" means the "appropriate Federal banking agency" with respect to the Company or such Company Subsidiaries, as applicable, as defined in Section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. Section 1813(q)).

(t) Insurance. The Company and the Company Subsidiaries are insured with reputable insurers against such risks and in such amounts as the management of the Company reasonably has determined to be prudent and consistent with industry practice. The Company and the Company Subsidiaries are in material compliance with their insurance policies and are not in default under any of the material terms thereof, each such policy is outstanding and in full force and effect, all premiums and other payments due under any material policy have been paid, and all claims thereunder have been filed in due and timely fashion, except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

(u) Intellectual Property. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, (i) the Company and each Company Subsidiary owns or otherwise has the right to use, all intellectual property rights, including all trademarks, trade dress, trade names, service marks, domain names, patents, inventions, trade secrets, know-how, works of authorship and copyrights therein, that are used in the conduct of their existing businesses and all rights relating to the plans, design and specifications of any of its branch facilities ("*Proprietary Rights*") free and clear of all liens and any claims of ownership by current or former employees, contractors, designers or others and (ii) neither the Company nor any of the Company Subsidiaries is materially infringing, diluting, misappropriating or violating, nor has the Company or any of the Company Subsidiaries received any written (or, to the knowledge of the Company, oral) communications alleging that any of them has materially infringed, diluted, misappropriated or violated, any of the Proprietary Rights owned by any other person. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, to the Company's knowledge, no other person is infringing, diluting, misappropriating or violating, nor has the Company or any of the Company Subsidiaries sent any written communications since January 1, 2006 alleging that any person has infringed, diluted, misappropriated or violated, any of the Proprietary Rights owned by the Company and the Company Subsidiaries.

(v) Brokers and Finders. No broker, finder or investment banker is entitled to any financial advisory, brokerage, finder's or other fee or commission in connection with this Agreement or the Warrant or the transactions contemplated hereby or thereby based upon arrangements made by or on behalf of the Company or any Company Subsidiary for which the Investor could have any liability.

Article III Covenants

3.1 Commercially Reasonable Efforts. Subject to the terms and conditions of this Agreement, each of the parties will use its commercially reasonable efforts in good faith to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or desirable, or advisable under applicable laws, so as to permit consummation of the Purchase as promptly as practicable and otherwise to enable consummation of the transactions contemplated hereby and shall use commercially reasonable efforts to cooperate with the other party to that end.

3.2 Expenses. Unless otherwise provided in this Agreement or the Warrant, each of the parties hereto will bear and pay all costs and expenses incurred by it or on its behalf in connection with the transactions contemplated under this Agreement and the Warrant, including fees and expenses of its own financial or other consultants, investment bankers, accountants and counsel.

3.3 Sufficiency of Authorized Warrant Preferred Stock; Exchange Listing.

(a) During the period from the Closing Date until the date on which the Warrant has been fully exercised, the Company shall at all times have reserved for issuance, free of preemptive or similar rights, a sufficient number of authorized and unissued Warrant Shares to effectuate such exercise.

(b) If the Company lists its Common Stock on any national securities exchange, the Company shall, if requested by the Investor, promptly use its reasonable best efforts to cause the Preferred Shares and Warrant Shares to be approved for listing on a national securities exchange as promptly as practicable following such request.

3.4 Certain Notifications Until Closing. From the Signing Date until the Closing, the Company shall promptly notify the Investor of (i) any fact, event or circumstance of which it is aware and which would reasonably be expected to cause any representation or warranty of the Company contained in this Agreement to be untrue or inaccurate in any material respect or to cause any covenant or agreement of the Company contained in this Agreement not to be complied with or satisfied in any material respect and (ii) except as Previously Disclosed, any fact, circumstance, event, change, occurrence, condition or development of which the Company is aware and which, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect; *provided, however*, that delivery of any notice pursuant to this Section 3.4 shall not limit or affect any rights of or remedies available to the Investor; *provided, further*, that a failure to comply with this Section 3.4 shall not constitute a breach of this Agreement or the failure of any condition set forth in Section 1.2 to be satisfied unless the underlying Company Material Adverse Effect or material breach would independently result in the failure of a condition set forth in Section 1.2 to be satisfied.

3.5 Access, Information and Confidentiality.

(a) From the Signing Date until the date when the Investor holds an amount of Preferred Shares having an aggregate liquidation value of less than 10% of the Purchase Price, the Company will permit the Investor and its agents, consultants, contractors and advisors (x) acting through the Appropriate Federal Banking Agency, or otherwise to the extent necessary to evaluate, manage, or transfer its investment in the Company, to examine the corporate books and make copies thereof and to discuss the affairs, finances and accounts of the Company and the Company Subsidiaries with the principal officers of the Company, all upon reasonable notice and at such reasonable times and as often as the Investor may reasonably request and (y) to review any information material to the Investor's investment in the Company provided by the Company to its Appropriate

Federal Banking Agency. Any investigation pursuant to this Section 3.5 shall be conducted during normal business hours and in such manner as not to interfere unreasonably with the conduct of the business of the Company, and nothing herein shall require the Company or any Company Subsidiary to disclose any information to the Investor to the extent (i) prohibited by applicable law or regulation, or (ii) that such disclosure would reasonably be expected to cause a violation of any agreement to which the Company or any Company Subsidiary is a party or would cause a risk of a loss of privilege to the Company or any Company Subsidiary (*provided* that the Company shall use commercially reasonable efforts to make appropriate substitute disclosure arrangements under circumstances where the restrictions in this clause (ii) apply).

(b) From the Signing Date until the date on which all of the Preferred Shares and Warrant Shares have been redeemed in whole, the Company will deliver, or will cause to be delivered, to the Investor:

(i) as soon as available after the end of each fiscal year of the Company, and in any event within 90 days thereafter, a consolidated balance sheet of the Company as of the end of such fiscal year, and consolidated statements of income, retained earnings and cash flows of the Company for such year, in each case prepared in accordance with GAAP and setting forth in each case in comparative form the figures for the previous fiscal year of the Company, and which shall be audited to the extent audited financial statements are available; and

(ii) as soon as available after the end of the first, second and third quarterly periods in each fiscal year of the Company, a copy of any quarterly reports provided to other stockholders of the Company or Company management.

(c) The Investor will use reasonable best efforts to hold, and will use reasonable best efforts to cause its agents, consultants, contractors and advisors to hold, in confidence all nonpublic records, books, contracts, instruments, computer data and other data and information (collectively, "*Information*") concerning the Company furnished or made available to it by the Company or its representatives pursuant to this Agreement (except to the extent that such information can be shown to have been (i) previously known by such party on a non-confidential basis, (ii) in the public domain through no fault of such party or (iii) later lawfully acquired from other sources by the party to which it was furnished (and without violation of any other confidentiality obligation)); *provided* that nothing herein shall prevent the Investor from disclosing any Information to the extent required by applicable laws or regulations or by any subpoena or similar legal process.

(d) The Investor's information rights pursuant to Section 3.5(b) may be assigned by the Investor to a transferee or assignee of the Purchased Securities or the Warrant Shares or with a liquidation preference or, in the case of the Warrant, the liquidation preference of the underlying shares of Warrant Preferred Stock, no less than an amount equal to 2% of the initial aggregate liquidation preference of the Preferred Shares.

Article IV
Additional Agreements

4.1 Purchase for Investment. The Investor acknowledges that the Purchased Securities and the Warrant Shares have not been registered under the Securities Act or under any state securities laws. The Investor (a) is acquiring the Purchased Securities pursuant to an exemption from registration under the Securities Act solely for investment with no present intention to distribute them to any person in violation of the Securities Act or any applicable U.S. state securities laws, (b) will not sell or otherwise dispose of any of the Purchased Securities or the Warrant Shares, except in compliance with the registration requirements or exemption provisions of the Securities Act and any applicable U.S. state securities laws, and (c) has such knowledge and experience in financial and business matters and in investments of this type that it is capable of evaluating the merits and risks of the Purchase and of making an informed investment decision.

4.2 Legends.

(a) The Investor agrees that all certificates or other instruments representing the Warrant will bear a legend substantially to the following effect:

“THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS.

THIS INSTRUMENT IS ISSUED SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS OF A SECURITIES PURCHASE AGREEMENT BETWEEN THE ISSUER OF THESE SECURITIES AND THE INVESTOR REFERRED TO THEREIN, A COPY OF WHICH IS ON FILE WITH THE ISSUER. THE SECURITIES REPRESENTED BY THIS INSTRUMENT MAY NOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH SAID AGREEMENT. ANY SALE OR OTHER TRANSFER NOT IN COMPLIANCE WITH SAID AGREEMENT WILL BE VOID.”

(b) In addition, the Investor agrees that all certificates or other instruments representing the Preferred Shares and the Warrant Shares will bear a legend substantially to the following effect:

“THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE NOT SAVINGS ACCOUNTS, DEPOSITS OR OTHER OBLIGATIONS OF A BANK

AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY.

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS. EACH PURCHASER OF THE SECURITIES REPRESENTED BY THIS INSTRUMENT IS NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. ANY TRANSFEREE OF THE SECURITIES REPRESENTED BY THIS INSTRUMENT BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (2) AGREES THAT IT WILL NOT OFFER, SELL OR OTHERWISE TRANSFER THE SECURITIES REPRESENTED BY THIS INSTRUMENT EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT WHICH IS THEN EFFECTIVE UNDER THE SECURITIES ACT, (B) FOR SO LONG AS THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (C) TO THE ISSUER OR (D) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS INSTRUMENT IS ISSUED SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS OF A SECURITIES PURCHASE AGREEMENT BETWEEN THE ISSUER OF THESE SECURITIES AND THE INVESTOR REFERRED TO THEREIN, A COPY OF WHICH IS ON FILE WITH THE ISSUER. THE SECURITIES REPRESENTED BY THIS INSTRUMENT MAY NOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH SAID AGREEMENT. ANY SALE OR OTHER TRANSFER NOT IN COMPLIANCE WITH SAID AGREEMENT WILL BE VOID."

(c) In the event that any Purchased Securities or Warrant Shares (i) become registered under the Securities Act or (ii) are eligible to be transferred without restriction in accordance with Rule 144 or another exemption from registration under the Securities Act (other than Rule 144A), the Company shall issue new certificates or other instruments representing such Purchased Securities or Warrant Shares, which shall not contain the applicable legends in Sections 4.2(a) and (b) above; *provided* that the Investor surrenders to the Company the previously issued certificates or other instruments.

4.3 Certain Transactions. The Company will not merge or consolidate with, or sell, transfer or lease all or substantially all of its property or assets to, any other party unless the successor, transferee or lessee party (or its ultimate parent entity), as the case may be (if not the Company), expressly assumes the due and punctual performance and observance of each and every covenant, agreement and condition of this Agreement to be performed and observed by the Company.

4.4 Transfer of Purchased Securities and Warrant Shares; Restrictions on Exercise of the Warrant. Subject to compliance with applicable securities laws, the Investor shall be permitted to transfer, sell, assign or otherwise dispose of (“*Transfer*”) all or a portion of the Purchased Securities or Warrant Shares at any time, and the Company shall take all steps as may be reasonably requested by the Investor to facilitate the Transfer of the Purchased Securities and the Warrant Shares; *provided* that the Investor shall not Transfer any Purchased Securities or Warrant Shares if such transfer would require the Company to be subject to the periodic reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934 (the “*Exchange Act*”). In furtherance of the foregoing, the Company shall provide reasonable cooperation to facilitate any Transfers of the Purchased Securities or Warrant Shares, including, as is reasonable under the circumstances, by furnishing such information concerning the Company and its business as a proposed transferee may reasonably request (including such information as is required by Section 4.5(k)) and making management of the Company reasonably available to respond to questions of a proposed transferee in accordance with customary practice, subject in all cases to the proposed transferee agreeing to a customary confidentiality agreement.

4.5 Registration Rights.

(a) Unless and until the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company shall have no obligation to comply with the provisions of this Section 4.5 (other than Section 4.5(b)(iv)-(vi)); *provided* that the Company covenants and agrees that it shall comply with this Section 4.5 as soon as practicable after the date that it becomes subject to such reporting requirements.

(b) Registration.

(i) Subject to the terms and conditions of this Agreement, the Company covenants and agrees that as promptly as practicable after the date that the Company becomes subject to the reporting requirements of Section 13 or

15(d) of the Exchange Act (and in any event no later than 30 days thereafter), the Company shall prepare and file with the SEC a Shelf Registration Statement covering all Registrable Securities (or otherwise designate an existing Shelf Registration Statement filed with the SEC to cover the Registrable Securities), and, to the extent the Shelf Registration Statement has not theretofore been declared effective or is not automatically effective upon such filing, the Company shall use reasonable best efforts to cause such Shelf Registration Statement to be declared or become effective and to keep such Shelf Registration Statement continuously effective and in compliance with the Securities Act and usable for resale of such Registrable Securities for a period from the date of its initial effectiveness until such time as there are no Registrable Securities remaining (including by refiling such Shelf Registration Statement (or a new Shelf Registration Statement) if the initial Shelf Registration Statement expires). Notwithstanding the foregoing, if the Company is not eligible to file a registration statement on Form S-3, then the Company shall not be obligated to file a Shelf Registration Statement unless and until requested to do so in writing by the Investor.

(ii) Any registration pursuant to Section 4.5(b)(i) shall be effected by means of a shelf registration on an appropriate form under Rule 415 under the Securities Act (a “*Shelf Registration Statement*”). If the Investor or any other Holder intends to distribute any Registrable Securities by means of an underwritten offering it shall promptly so advise the Company and the Company shall take all reasonable steps to facilitate such distribution, including the actions required pursuant to Section 4.5(d); *provided* that the Company shall not be required to facilitate an underwritten offering of Registrable Securities unless the expected gross proceeds from such offering exceed (i) 2% of the initial aggregate liquidation preference of the Preferred Shares if such initial aggregate liquidation preference is less than \$2 billion and (ii) \$200 million if the initial aggregate liquidation preference of the Preferred Shares is equal to or greater than \$2 billion. The lead underwriters in any such distribution shall be selected by the Holders of a majority of the Registrable Securities to be distributed; *provided* that to the extent appropriate and permitted under applicable law, such Holders shall consider the qualifications of any broker-dealer Affiliate of the Company in selecting the lead underwriters in any such distribution.

(iii) The Company shall not be required to effect a registration (including a resale of Registrable Securities from an effective Shelf Registration Statement) or an underwritten offering pursuant to Section 4.5(b): (A) with respect to securities that are not Registrable Securities; or (B) if the Company has notified the Investor and all other Holders that in the good faith judgment of the Board of Directors, it would be materially detrimental to the Company or its securityholders for such registration or underwritten offering to be effected at such time, in which event the Company shall have the right to defer such registration for a period of not more than 45 days after receipt of the request of the Investor or any other Holder; *provided* that such right to delay a registration or underwritten offering shall be exercised by the Company (1) only if the Company

has generally exercised (or is concurrently exercising) similar black-out rights against holders of similar securities that have registration rights and (2) not more than three times in any 12-month period and not more than 90 days in the aggregate in any 12-month period.

(iv) If during any period when an effective Shelf Registration Statement is not available, the Company proposes to register any of its equity securities, other than a registration pursuant to Section 4.5(b)(i) or a Special Registration, and the registration form to be filed may be used for the registration or qualification for distribution of Registrable Securities, the Company will give prompt written notice to the Investor and all other Holders of its intention to effect such a registration (but in no event less than ten days prior to the anticipated filing date) and will include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within ten business days after the date of the Company's notice (a "*Piggyback Registration*"). Any such person that has made such a written request may withdraw its Registrable Securities from such Piggyback Registration by giving written notice to the Company and the managing underwriter, if any, on or before the fifth business day prior to the planned effective date of such Piggyback Registration. The Company may terminate or withdraw any registration under this Section 4.5(b)(iv) prior to the effectiveness of such registration, whether or not Investor or any other Holders have elected to include Registrable Securities in such registration.

(v) If the registration referred to in Section 4.5(b)(iv) is proposed to be underwritten, the Company will so advise Investor and all other Holders as a part of the written notice given pursuant to Section 4.5(b)(iv). In such event, the right of Investor and all other Holders to registration pursuant to Section 4.5(b) will be conditioned upon such persons' participation in such underwriting and the inclusion of such person's Registrable Securities in the underwriting if such securities are of the same class of securities as the securities to be offered in the underwritten offering, and each such person will (together with the Company and the other persons distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company; *provided* that the Investor (as opposed to other Holders) shall not be required to indemnify any person in connection with any registration. If any participating person disapproves of the terms of the underwriting, such person may elect to withdraw therefrom by written notice to the Company, the managing underwriters and the Investor (if the Investor is participating in the underwriting).

(vi) If either (x) the Company grants "piggyback" registration rights to one or more third parties to include their securities in an underwritten offering under the Shelf Registration Statement pursuant to Section 4.5(b)(ii) or (y) a Piggyback Registration under Section 4.5(b)(iv) relates to an underwritten offering on behalf of the Company, and in either case the managing underwriters advise the Company that in their reasonable opinion the number of securities

requested to be included in such offering exceeds the number which can be sold without adversely affecting the marketability of such offering (including an adverse effect on the per share offering price), the Company will include in such offering only such number of securities that in the reasonable opinion of such managing underwriters can be sold without adversely affecting the marketability of the offering (including an adverse effect on the per share offering price), which securities will be so included in the following order of priority: (A) first, in the case of a Piggyback Registration under Section 4.5(b)(iv), the securities the Company proposes to sell, (B) then the Registrable Securities of the Investor and all other Holders who have requested inclusion of Registrable Securities pursuant to Section 4.5(b)(ii) or Section 4.5(b)(iv), as applicable, *pro rata* on the basis of the aggregate number of such securities or shares owned by each such person and (C) lastly, any other securities of the Company that have been requested to be so included, subject to the terms of this Agreement; *provided, however*, that if the Company has, prior to the Signing Date, entered into an agreement with respect to its securities that is inconsistent with the order of priority contemplated hereby then it shall apply the order of priority in such conflicting agreement to the extent that it would otherwise result in a breach under such agreement.

(c) Expenses of Registration. All Registration Expenses incurred in connection with any registration, qualification or compliance hereunder shall be borne by the Company. All Selling Expenses incurred in connection with any registrations hereunder shall be borne by the holders of the securities so registered *pro rata* on the basis of the aggregate offering or sale price of the securities so registered.

(d) Obligations of the Company. Whenever required to effect the registration of any Registrable Securities or facilitate the distribution of Registrable Securities pursuant to an effective Shelf Registration Statement, the Company shall, as expeditiously as reasonably practicable:

(i) Prepare and file with the SEC a prospectus supplement or post-effective amendment with respect to a proposed offering of Registrable Securities pursuant to an effective registration statement, subject to Section 4.5(d), keep such registration statement effective and keep such prospectus supplement current until the securities described therein are no longer Registrable Securities.

(ii) Prepare and file with the SEC such amendments and supplements to the applicable registration statement and the prospectus or prospectus supplement used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.

(iii) Furnish to the Holders and any underwriters such number of copies of the applicable registration statement and each such amendment and supplement thereto (including in each case all exhibits) and of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act,

and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned or to be distributed by them.

(iv) Use its reasonable best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders or any managing underwriter(s), to keep such registration or qualification in effect for so long as such registration statement remains in effect, and to take any other action which may be reasonably necessary to enable such seller to consummate the disposition in such jurisdictions of the securities owned by such Holder; *provided* that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions.

(v) Notify each Holder of Registrable Securities at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the applicable prospectus, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing.

(vi) Give written notice to the Holders:

(A) when any registration statement filed pursuant to Section 4.5(a) or any amendment thereto has been filed with the SEC (except for any amendment effected by the filing of a document with the SEC pursuant to the Exchange Act) and when such registration statement or any post-effective amendment thereto has become effective;

(B) of any request by the SEC for amendments or supplements to any registration statement or the prospectus included therein or for additional information;

(C) of the issuance by the SEC of any stop order suspending the effectiveness of any registration statement or the initiation of any proceedings for that purpose;

(D) of the receipt by the Company or its legal counsel of any notification with respect to the suspension of the qualification of the applicable Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose;

(E) of the happening of any event that requires the Company to make changes in any effective registration statement or the prospectus related to the registration statement in order to make the statements therein not misleading (which notice shall be accompanied by an instruction to suspend the use of the prospectus until the requisite changes have been made); and

(F) if at any time the representations and warranties of the Company contained in any underwriting agreement contemplated by Section 4.5(d)(x) cease to be true and correct.

(vii) Use its reasonable best efforts to prevent the issuance or obtain the withdrawal of any order suspending the effectiveness of any registration statement referred to in Section 4.5(d)(vi)(C) at the earliest practicable time.

(viii) Upon the occurrence of any event contemplated by Section 4.5(d)(v) or 4.5(d)(vi)(E), promptly prepare a post-effective amendment to such registration statement or a supplement to the related prospectus or file any other required document so that, as thereafter delivered to the Holders and any underwriters, the prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Company notifies the Holders in accordance with Section 4.5(d)(vi)(E) to suspend the use of the prospectus until the requisite changes to the prospectus have been made, then the Holders and any underwriters shall suspend use of such prospectus and use their reasonable best efforts to return to the Company all copies of such prospectus (at the Company's expense) other than permanent file copies then in such Holders' or underwriters' possession. The total number of days that any such suspension may be in effect in any 12-month period shall not exceed 90 days.

(ix) Use reasonable best efforts to procure the cooperation of the Company's transfer agent in settling any offering or sale of Registrable Securities, including with respect to the transfer of physical stock certificates into book-entry form in accordance with any procedures reasonably requested by the Holders or any managing underwriter(s).

(x) If an underwritten offering is requested pursuant to Section 4.5(b)(ii), enter into an underwriting agreement in customary form, scope and substance and take all such other actions reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith or by the managing underwriter(s), if any, to expedite or facilitate the underwritten disposition of such Registrable Securities, and in connection therewith in any underwritten offering (including making members of management and executives of the Company available to participate in "road shows", similar sales events and other marketing activities), (A) make such representations and warranties to the Holders that are selling stockholders and the managing underwriter(s), if any, with respect to the business of the Company and its subsidiaries, and the Shelf Registration Statement, prospectus and documents, if any, incorporated or deemed to be incorporated by reference therein, in each case, in customary form, substance and scope, and, if true, confirm the same if and when requested, (B) use its reasonable best efforts to furnish the underwriters with opinions of counsel to the Company, addressed to the managing underwriter(s), if any, covering the matters customarily covered in such opinions requested in underwritten offerings,

(C) use its reasonable best efforts to obtain “cold comfort” letters from the independent certified public accountants of the Company (and, if necessary, any other independent certified public accountants of any business acquired by the Company for which financial statements and financial data are included in the Shelf Registration Statement) who have certified the financial statements included in such Shelf Registration Statement, addressed to each of the managing underwriter(s), if any, such letters to be in customary form and covering matters of the type customarily covered in “cold comfort” letters, (D) if an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures customary in underwritten offerings (provided that the Investor shall not be obligated to provide any indemnity), and (E) deliver such documents and certificates as may be reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith, their counsel and the managing underwriter(s), if any, to evidence the continued validity of the representations and warranties made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company.

(xi) Make available for inspection by a representative of Holders that are selling stockholders, the managing underwriter(s), if any, and any attorneys or accountants retained by such Holders or managing underwriter(s), at the offices where normally kept, during reasonable business hours, financial and other records, pertinent corporate documents and properties of the Company, and cause the officers, directors and employees of the Company to supply all information in each case reasonably requested (and of the type customarily provided in connection with due diligence conducted in connection with a registered public offering of securities) by any such representative, managing underwriter(s), attorney or accountant in connection with such Shelf Registration Statement.

(xii) Use reasonable best efforts to cause all such Registrable Securities to be listed on each national securities exchange on which similar securities issued by the Company are then listed or, if no similar securities issued by the Company are then listed on any national securities exchange, use its reasonable best efforts to cause all such Registrable Securities to be listed on such securities exchange as the Investor may designate.

(xiii) If requested by Holders of a majority of the Registrable Securities being registered and/or sold in connection therewith, or the managing underwriter(s), if any, promptly include in a prospectus supplement or amendment such information as the Holders of a majority of the Registrable Securities being registered and/or sold in connection therewith or managing underwriter(s), if any, may reasonably request in order to permit the intended method of distribution of such securities and make all required filings of such prospectus supplement or such amendment as soon as practicable after the Company has received such request.

(xiv) Timely provide to its security holders earning statements satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder.

(e) Suspension of Sales. Upon receipt of written notice from the Company that a registration statement, prospectus or prospectus supplement contains or may contain an untrue statement of a material fact or omits or may omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that circumstances exist that make inadvisable use of such registration statement, prospectus or prospectus supplement, the Investor and each Holder of Registrable Securities shall forthwith discontinue disposition of Registrable Securities until the Investor and/or Holder has received copies of a supplemented or amended prospectus or prospectus supplement, or until the Investor and/or such Holder is advised in writing by the Company that the use of the prospectus and, if applicable, prospectus supplement may be resumed, and, if so directed by the Company, the Investor and/or such Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in the Investor and/or such Holder's possession, of the prospectus and, if applicable, prospectus supplement covering such Registrable Securities current at the time of receipt of such notice. The total number of days that any such suspension may be in effect in any 12-month period shall not exceed 90 days.

(f) Termination of Registration Rights. A Holder's registration rights as to any securities held by such Holder (and its Affiliates, partners, members and former members) shall not be available unless such securities are Registrable Securities.

(g) Furnishing Information.

(i) Neither the Investor nor any Holder shall use any free writing prospectus (as defined in Rule 405) in connection with the sale of Registrable Securities without the prior written consent of the Company.

(ii) It shall be a condition precedent to the obligations of the Company to take any action pursuant to Section 4.5(d) that Investor and/or the selling Holders and the underwriters, if any, shall furnish to the Company such information regarding themselves, the Registrable Securities held by them and the intended method of disposition of such securities as shall be required to effect the registered offering of their Registrable Securities.

(h) Indemnification.

(i) The Company agrees to indemnify each Holder and, if a Holder is a person other than an individual, such Holder's officers, directors, employees, agents, representatives and Affiliates, and each Person, if any, that controls a Holder within the meaning of the Securities Act (each, an "*Indemnitee*"), against any and all losses, claims, damages, actions, liabilities, costs and expenses (including reasonable fees, expenses and disbursements of attorneys and other professionals incurred in connection with investigating, defending, settling, compromising or paying any such losses, claims, damages, actions, liabilities,

costs and expenses), joint or several, arising out of or based upon any untrue statement or alleged untrue statement of material fact contained in any registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto or any documents incorporated therein by reference or contained in any free writing prospectus (as such term is defined in Rule 405) prepared by the Company or authorized by it in writing for use by such Holder (or any amendment or supplement thereto); or any omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided*, that the Company shall not be liable to such Indemnitee in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon (A) an untrue statement or omission made in such registration statement, including any such preliminary prospectus or final prospectus contained therein or any such amendments or supplements thereto or contained in any free writing prospectus (as such term is defined in Rule 405) prepared by the Company or authorized by it in writing for use by such Holder (or any amendment or supplement thereto), in reliance upon and in conformity with information regarding such Indemnitee or its plan of distribution or ownership interests which was furnished in writing to the Company by such Indemnitee for use in connection with such registration statement, including any such preliminary prospectus or final prospectus contained therein or any such amendments or supplements thereto, or (B) offers or sales effected by or on behalf of such Indemnitee "by means of" (as defined in Rule 159A) a "free writing prospectus" (as defined in Rule 405) that was not authorized in writing by the Company.

(ii) If the indemnification provided for in Section 4.5(h)(i) is unavailable to an Indemnitee with respect to any losses, claims, damages, actions, liabilities, costs or expenses referred to therein or is insufficient to hold the Indemnitee harmless as contemplated therein, then the Company, in lieu of indemnifying such Indemnitee, shall contribute to the amount paid or payable by such Indemnitee as a result of such losses, claims, damages, actions, liabilities, costs or expenses in such proportion as is appropriate to reflect the relative fault of the Indemnitee, on the one hand, and the Company, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, actions, liabilities, costs or expenses as well as any other relevant equitable considerations. The relative fault of the Company, on the one hand, and of the Indemnitee, on the other hand, shall be determined by reference to, among other factors, whether the untrue statement of a material fact or omission to state a material fact relates to information supplied by the Company or by the Indemnitee and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission: the Company and each Holder agree that it would not be just and equitable if contribution pursuant to this Section 4.5(h)(ii) were determined by *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 4.5(h)(i). No Indemnitee guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to

contribution from the Company if the Company was not guilty of such fraudulent misrepresentation.

(i) Assignment of Registration Rights. The rights of the Investor to registration of Registrable Securities pursuant to Section 4.5(b) may be assigned by the Investor to a transferee or assignee of Registrable Securities with a liquidation preference or, in the case of the Warrant, the liquidation preference of the underlying shares of Warrant Preferred Stock, no less than an amount equal to (i) 2% of the initial aggregate liquidation preference of the Preferred Shares if such initial aggregate liquidation preference is less than \$2 billion and (ii) \$200 million if the initial aggregate liquidation preference of the Preferred Shares is equal to or greater than \$2 billion; *provided, however*, the transferor shall, within ten days after such transfer, furnish to the Company written notice of the name and address of such transferee or assignee and the number and type of Registrable Securities that are being assigned.

(j) Clear Market. With respect to any underwritten offering of Registrable Securities by the Investor or other Holders pursuant to this Section 4.5, the Company agrees not to effect (other than pursuant to such registration or pursuant to a Special Registration) any public sale or distribution, or to file any Shelf Registration Statement (other than such registration or a Special Registration) covering any preferred stock of the Company or any securities convertible into or exchangeable or exercisable for preferred stock of the Company, during the period not to exceed ten days prior and 60 days following the effective date of such offering or such longer period up to 90 days as may be requested by the managing underwriter for such underwritten offering. The Company also agrees to cause such of its directors and senior executive officers to execute and deliver customary lock-up agreements in such form and for such time period up to 90 days as may be requested by the managing underwriter. “*Special Registration*” means the registration of (A) equity securities and/or options or other rights in respect thereof solely registered on Form S-4 or Form S-8 (or successor form) or (B) shares of equity securities and/or options or other rights in respect thereof to be offered to directors, members of management, employees, consultants, customers, lenders or vendors of the Company or Company Subsidiaries or in connection with dividend reinvestment plans.

(k) (k) Rule 144; Rule 144A. With a view to making available to the Investor and Holders the benefits of certain rules and regulations of the SEC which may permit the sale of the Registrable Securities to the public without registration, the Company agrees to use its reasonable best efforts to:

(i) make and keep public information available, as those terms are understood and defined in Rule 144(c)(1) or any similar or analogous rule promulgated under the Securities Act, at all times after the Signing Date;

(ii) (A) file with the SEC, in a timely manner, all reports and other documents required of the Company under the Exchange Act, and (B) if at any time the Company is not required to file such reports, make available, upon the request of any Holder, such information necessary to permit sales pursuant to

Rule 144A (including the information required by Rule 144A(d)(4) under the Securities Act);

(iii) so long as the Investor or a Holder owns any Registrable Securities, furnish to the Investor or such Holder forthwith upon request: a written statement by the Company as to its compliance with the reporting requirements of Rule 144 under the Securities Act, and of the Exchange Act; a copy of the most recent annual or quarterly report of the Company; and such other reports and documents as the Investor or Holder may reasonably request in availing itself of any rule or regulation of the SEC allowing it to sell any such securities to the public without registration; and

(iv) take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act.

(l) As used in this Section 4.5, the following terms shall have the following respective meanings:

(i) “*Holder*” means the Investor and any other holder of Registrable Securities to whom the registration rights conferred by this Agreement have been transferred in compliance with Section 4.5(h) hereof.

(ii) “*Holders’ Counsel*” means one counsel for the selling Holders chosen by Holders holding a majority interest in the Registrable Securities being registered. (iii)

(iii) “*Register,*” “*registered,*” and “*registration*” shall refer to a registration effected by preparing and (A) filing a registration statement or amendment thereto in compliance with the Securities Act and applicable rules and regulations thereunder, and the declaration or ordering of effectiveness of such registration statement or amendment thereto or (B) filing a prospectus and/or prospectus supplement in respect of an appropriate effective registration statement on Form S-3.

(iv) “*Registrable Securities*” means (A) all Preferred Shares, (B) the Warrant (subject to Section 4.5(q)) and (C) any equity securities issued or issuable directly or indirectly with respect to the securities referred to in the foregoing clauses (A) or (B) by way of conversion, exercise or exchange thereof, including the Warrant Shares, or share dividend or share split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization, *provided* that, once issued, such securities will not be Registrable Securities when (1) they are sold (1) they are sold pursuant to an effective registration statement under the Securities Act, (2) except as provided below in Section 4.5(p), they may be sold pursuant to Rule 144 without limitation thereunder on volume or manner of sale, (3) they shall have ceased to be outstanding or (4) they have been sold in a private

transaction in which the transferor's rights under this Agreement are not assigned to the transferee of the securities. No Registrable Securities may be registered under more than one registration statement at any one time.

(v) “*Registration Expenses*” mean all expenses incurred by the Company in effecting any registration pursuant to this Agreement (whether or not any registration or prospectus becomes effective or final) or otherwise complying with its obligations under this Section 4.5, including all registration, filing and listing fees, printing expenses, fees and disbursements of counsel for the Company, blue sky fees and expenses, expenses incurred in connection with any “road show”, the reasonable fees and disbursements of Holders’ Counsel, and expenses of the Company’s independent accountants in connection with any regular or special reviews or audits incident to or required by any such registration, but shall not include Selling Expenses.

(vi) “*Rule 144*”, “*Rule 144A*”, “*Rule 159A*”, “*Rule 405*” and “*Rule 415*” mean, in each case, such rule promulgated under the Securities Act (or any successor provision), as the same shall be amended from time to time.

(vii) “*Selling Expenses*” mean all discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities and fees and disbursements of counsel for any Holder (other than the fees and disbursements of Holders’ Counsel included in Registration Expenses).

(m) At any time, any holder of Securities (including any Holder) may elect to forfeit its rights set forth in this Section 4.5 from that date forward; *provided*, that a Holder forfeiting such rights shall nonetheless be entitled to participate under Section 4.5(b)(iv) – (vi) in any Pending Underwritten Offering to the same extent that such Holder would have been entitled to if the holder had not withdrawn; and *provided, further*, that no such forfeiture shall terminate a Holder’s rights or obligations under Section 4.5(g) with respect to any prior registration or Pending Underwritten Offering. “*Pending Underwritten Offering*” means, with respect to any Holder forfeiting its rights pursuant to this Section 4.5(m), any underwritten offering of Registrable Securities in which such Holder has advised the Company of its intent to register its Registrable Securities either pursuant to Section 4.5(b)(ii) or 4.5(b)(iv) prior to the date of such Holder’s forfeiture.

(n) Specific Performance. The parties hereto acknowledge that there would be no adequate remedy at law if the Company fails to perform any of its obligations under this Section 4.5 and that the Investor and the Holders from time to time may be irreparably harmed by any such failure, and accordingly agree that the Investor and such Holders, in addition to any other remedy to which they may be entitled at law or in equity, to the fullest extent permitted and enforceable under applicable law shall be entitled to compel specific performance of the obligations of the Company under this Section 4.5 in accordance with the terms and conditions of this Section 4.5.

(o) No Inconsistent Agreements. The Company shall not, on or after the Signing Date, enter into any agreement with respect to its securities that may impair the rights granted to the Investor and the Holders under this Section 4.5 or that otherwise conflicts with the provisions hereof in any manner that may impair the rights granted to the Investor and the Holders under this Section 4.5. In the event the Company has, prior to the Signing Date, entered into any agreement with respect to its securities that is inconsistent with the rights granted to the Investor and the Holders under this Section 4.5 (including agreements that are inconsistent with the order of priority contemplated by Section 4.5(b)(vi)) or that may otherwise conflict with the provisions hereof, the Company shall use its reasonable best efforts to amend such agreements to ensure they are consistent with the provisions of this Section 4.5.

(p) Certain Offerings by the Investor. In the case of any securities held by the Investor that cease to be Registrable Securities solely by reason of clause (2) in the definition of “Registrable Securities,” the provisions of Sections 4.5(b)(ii), clauses (iv), (ix) and (x)-(xii) of Section 4.5(d), Section 4.5(h) and Section 4.5(j) shall continue to apply until such securities otherwise cease to be Registrable Securities. In any such case, an “underwritten” offering or other disposition shall include any distribution of such securities on behalf of the Investor by one or more broker-dealers, an “underwriting agreement” shall include any purchase agreement entered into by such broker-dealers, and any “registration statement” or “prospectus” shall include any offering document approved by the Company and used in connection with such distribution.

(q) Registered Sales of the Warrant. The Holders agree to sell the Warrant or any portion thereof under the Shelf Registration Statement only beginning 30 days after notifying the Company of any such sale, during which 30-day period the Investor and all Holders of the Warrant shall take reasonable steps to agree to revisions to the Warrant to permit a public distribution of the Warrant, including entering into a warrant agreement and appointing a warrant agent.

4.6 Depository Shares. Upon request by the Investor at any time following the Closing Date, the Company shall promptly enter into a depository arrangement, pursuant to customary agreements reasonably satisfactory to the Investor and with a depository reasonably acceptable to the Investor, pursuant to which the Preferred Shares or the Warrant Shares may be deposited and depository shares, each representing a fraction of a Preferred Share or Warrant Share, as applicable, as specified by the Investor, may be issued. From and after the execution of any such depository arrangement, and the deposit of any Preferred Shares or Warrant Shares, as applicable, pursuant thereto, the depository shares issued pursuant thereto shall be deemed “Preferred Shares”, “Warrant Shares” and, as applicable, “Registrable Securities” for purposes of this Agreement.

4.7 Restriction on Dividends and Repurchases.

(a) Prior to the earlier of (x) the third anniversary of the Closing Date and (y) the date on which all of the Preferred Shares and Warrant Shares have been redeemed in whole or the Investor has transferred all of the Preferred Shares and Warrant Shares to third parties which are not Affiliates of the Investor, neither the Company nor any

Company Subsidiary shall, without the consent of the Investor, declare or pay any dividend or make any distribution on capital stock or other equity securities of any kind of the Company or any Company Subsidiary (other than (i) regular quarterly cash dividends of not more than the amount of the last quarterly cash dividend per share declared or, if lower, announced to its holders of Common Stock an intention to declare, on the Common Stock prior to November 17, 2008, as adjusted for any stock split, stock dividend, reverse stock split, reclassification or similar transaction, (ii) dividends payable solely in shares of Common Stock, (iii) regular dividends on shares of preferred stock in accordance with the terms thereof and which are permitted under the terms of the Preferred Shares and the Warrant Shares, (iv) dividends or distributions by any wholly-owned Company Subsidiary or (v) dividends or distributions by any Company Subsidiary required pursuant to binding contractual agreements entered into prior to November 17, 2008).

(b) During the period beginning on the third anniversary of the Closing Date and ending on the earlier of (i) the tenth anniversary of the Closing Date and (ii) the date on which all of the Preferred Shares and Warrant Shares have been redeemed in whole or the Investor has transferred all of the Preferred Shares and Warrant Shares to third parties which are not Affiliates of the Investor, neither the Company nor any Company Subsidiary shall, without the consent of the Investor, (A) pay any per share dividend or distribution on capital stock or other equity securities of any kind of the Company at a per annum rate that is in excess of 103% of the aggregate per share dividends and distributions for the immediately prior fiscal year (other than regular dividends on shares of preferred stock in accordance with the terms thereof and which are permitted under the terms of the Preferred Shares and the Warrant Shares); *provided* that no increase in the aggregate amount of dividends or distributions on Common Stock shall be permitted as a result of any dividends or distributions paid in shares of Common Stock, any stock split or any similar transaction or (B) pay aggregate dividends or distributions on capital stock or other equity securities of any kind of any Company Subsidiary that is in excess of 103% of the aggregate dividends and distributions paid for the immediately prior fiscal year (other than in the case of this clause (B), (1) regular dividends on shares of preferred stock in accordance with the terms thereof and which are permitted under the terms of the Preferred Shares and the Warrant Shares, (2) dividends or distributions by any wholly-owned Company Subsidiary, (3) dividends or distributions by any Company Subsidiary required pursuant to binding contractual agreements entered into prior to November 17, 2008) or (4) dividends or distributions on newly issued shares of capital stock for cash or other property.

(c) Prior to the earlier of (x) the tenth anniversary of the Closing Date and (y) the date on which all of the Preferred Shares and Warrant Shares have been redeemed in whole or the Investor has transferred all of the Preferred Shares and Warrant Shares to third parties which are not Affiliates of the Investor, neither the Company nor any Company Subsidiary shall, without the consent of the Investor, redeem, purchase or acquire any shares of Common Stock or other capital stock or other equity securities of any kind of the Company or any Company Subsidiary, or any trust preferred securities issued by the Company or any Affiliate of the Company, other than (i) redemptions, purchases or other acquisitions of the Preferred Shares and Warrant Shares, (ii) in

connection with the administration of any employee benefit plan in the ordinary course of business and consistent with past practice, (iii) the acquisition by the Company or any of the Company Subsidiaries of record ownership in Junior Stock or Parity Stock for the beneficial ownership of any other persons (other than the Company or any other Company Subsidiary), including as trustees or custodians, (iv) the exchange or conversion of Junior Stock for or into other Junior Stock or of Parity Stock or trust preferred securities for or into other Parity Stock (with the same or lesser aggregate liquidation amount) or Junior Stock, in each case set forth in this clause (iv), solely to the extent required pursuant to binding contractual agreements entered into prior to the Signing Date or any subsequent agreement for the accelerated exercise, settlement or exchange thereof for Common Stock (clauses (ii) and (iii), collectively, the “*Permitted Repurchases*”), (v) redemptions of securities held by the Company or any wholly owned Company Subsidiary or (vi) redemptions, purchases or other acquisitions of capital stock or other equity securities of any kind of any Company Subsidiary required pursuant to binding contractual agreements entered into prior to November 17, 2008.

(d) Until such time as the Investor ceases to own any Preferred Shares or Warrant Shares, the Company shall not repurchase any Preferred Shares or Warrant Shares from any holder thereof, whether by means of open market purchase, negotiated transaction, or otherwise, other than Permitted Repurchases, unless it offers to repurchase a ratable portion of the Preferred Shares or Warrant Shares, as the case may be, then held by the Investor on the same terms and conditions.

(e) During the period beginning on the tenth anniversary of the Closing and ending on the date on which all of the Preferred Shares and Warrant Shares have been redeemed in whole or the Investor has transferred all of the Preferred Shares and Warrant Shares to third parties which are not Affiliates of the Investor, neither the Company nor any Company Subsidiary shall, without the consent of the Investor, (i) declare or pay any dividend or make any distribution on capital stock or other equity securities of any kind of the Company or any Company Subsidiary; or (ii) redeem, purchase or acquire any shares of Common Stock or other capital stock or other equity securities of any kind of the Company or any Company Subsidiary, or any trust preferred securities issued by the Company or any Affiliate of the Company, other than (A) redemptions, purchases or other acquisitions of the Preferred Shares and Warrant Shares, (B) regular dividends on shares of preferred stock in accordance with the terms thereof and which are permitted under the terms of the Preferred Shares and the Warrant Shares, or (C) dividends or distributions by any wholly-owned Company Subsidiary.

(f) “*Junior Stock*” means Common Stock and any other class or series of stock of the Company the terms of which expressly provide that it ranks junior to the Preferred Shares as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Company. “*Parity Stock*” means any class or series of stock of the Company the terms of which do not expressly provide that such class or series will rank senior or junior to the Preferred Shares as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Company (in each case without regard to whether dividends accrue cumulatively or non-cumulatively)

4.8 Executive Compensation. Until such time as the Investor ceases to own any debt or equity securities of the Company acquired pursuant to this Agreement or the Warrant, the Company shall take all necessary action to ensure that its Benefit Plans with respect to its Senior Executive Officers comply in all respects with Section 111(b) of the EESA as implemented by any guidance or regulation thereunder that has been issued and is in effect as of the Closing Date, and shall not adopt any new Benefit Plan with respect to its Senior Executive Officers that does not comply therewith. “*Senior Executive Officers*” means the Company’s “senior executive officers” as defined in subsection 111(b)(3) of the EESA and regulations issued thereunder, including the rules set forth in 31 C.F.R. Part 30.

4.9 Related Party Transactions. Until such time as the Investor ceases to own any Purchased Securities or Warrant Shares, the Company and the Company Subsidiaries shall not enter into transactions with Affiliates or related persons (within the meaning of Item 404 under the SEC’s Regulation S-K) unless (i) such transactions are on terms no less favorable to the Company and the Company Subsidiaries than could be obtained from an unaffiliated third party, and (ii) have been approved by the audit committee of the Board of Directors or comparable body of independent directors of the Company.

4.10 Bank and Thrift Holding Company Status. If the Company is a Bank Holding Company or a Savings and Loan Holding Company on the Signing Date, then the Company shall maintain its status as a Bank Holding Company or Savings and Loan Holding Company, as the case may be, for as long as the Investor owns any Purchased Securities or Warrant Shares. The Company shall redeem all Purchased Securities and Warrant Shares held by the Investor prior to terminating its status as a Bank Holding Company or Savings and Loan Holding Company, as applicable. “*Bank Holding Company*” means a company registered as such with the Board of Governors of the Federal Reserve System (the “*Federal Reserve*”) pursuant to 12 U.S.C. §1842 and the regulations of the Federal Reserve promulgated thereunder. “*Savings and Loan Holding Company*” means a company registered as such with the Office of Thrift Supervision pursuant to 12 U.S.C. §1467(a) and the regulations of the Office of Thrift Supervision promulgated thereunder.

4.11 Predominantly Financial. For as long as the Investor owns any Purchased Securities or Warrant Shares, the Company, to the extent it is not itself an insured depository institution, agrees to remain predominantly engaged in financial activities. A company is predominantly engaged in financial activities if the annual gross revenues derived by the company and all subsidiaries of the company (excluding revenues derived from subsidiary depository institutions), on a consolidated basis, from engaging in activities that are financial in nature or are incidental to a financial activity under subsection (k) of Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k)) represent at least 85 percent of the consolidated annual gross revenues of the company.

Article V
Miscellaneous

5.1 Termination. This Agreement may be terminated at any time prior to the Closing:

(a) by either the Investor or the Company if the Closing shall not have occurred by the 30th calendar day following the Signing Date; *provided, however*, that in the event the Closing has not occurred by such 30th calendar day, the parties will consult in good faith to determine whether to extend the term of this Agreement, it being understood that the parties shall be required to consult only until the fifth day after such 30th calendar day and not be under any obligation to extend the term of this Agreement thereafter; *provided, further*, that the right to terminate this Agreement under this Section 5.1(a) shall not be available to any party whose breach of any representation or warranty or failure to perform any obligation under this Agreement shall have caused or resulted in the failure of the Closing to occur on or prior to such date; or

(b) by either the Investor or the Company in the event that any Governmental Entity shall have issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement and such order, decree, ruling or other action shall have become final and nonappealable; or

(c) by the mutual written consent of the Investor and the Company.

In the event of termination of this Agreement as provided in this Section 5.1, this Agreement shall forthwith become void and there shall be no liability on the part of either party hereto except that nothing herein shall relieve either party from liability for any breach of this Agreement.

5.2 Survival of Representations and Warranties. All covenants and agreements, other than those which by their terms apply in whole or in part after the Closing, shall terminate as of the Closing. The representations and warranties of the Company made herein or in any certificates delivered in connection with the Closing shall survive the Closing without limitation.

5.3 Amendment. No amendment of any provision of this Agreement will be effective unless made in writing and signed by an officer or a duly authorized representative of each party; *provided* that the Investor may unilaterally amend any provision of this Agreement to the extent required to comply with any changes after the Signing Date in applicable federal statutes. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative of any rights or remedies provided by law.

5.4 Waiver of Conditions. The conditions to each party's obligation to consummate the Purchase are for the sole benefit of such party and may be waived by such party in whole or in part to the extent permitted by applicable law. No waiver will be effective unless it is in a writing signed by a duly authorized officer of the waiving party that makes express reference to the provision or provisions subject to such waiver.

5.5 Governing Law; Submission to Jurisdiction, Etc. This Agreement will be governed by and construed in accordance with the federal law of the United States if and to -34- 095331-0002-10033-NY02.2690847.9 the extent such law is applicable, and otherwise in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State. Each of the parties hereto agrees (a) to submit to the exclusive jurisdiction and venue of the United States District Court for the District of Columbia and the United States Court of Federal Claims for any and all civil actions, suits or proceedings arising out of or relating to this Agreement or the Warrant or the transactions contemplated hereby or thereby, and (b) that notice may be served upon (i) the Company at the address and in the manner set forth for notices to the Company in Section 5.6 and (ii) the Investor in accordance with federal law. To the extent permitted by applicable law, each of the parties hereto hereby unconditionally waives trial by jury in any civil legal action or proceeding relating to this Agreement or the Warrant or the transactions contemplated hereby or thereby.

5.6 Notices. Any notice, request, instruction or other document to be given hereunder by any party to the other will be in writing and will be deemed to have been duly given (a) on the date of delivery if delivered personally, or by facsimile, upon confirmation of receipt, or (b) on the second business day following the date of dispatch if delivered by a recognized next day courier service. All notices to the Company shall be delivered as set forth in Schedule A, or pursuant to such other instruction as may be designated in writing by the Company to the Investor. All notices to the Investor shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the Investor to the Company.

If to the Investor:

United States Department of the Treasury
1500 Pennsylvania Avenue, NW, Room 2312
Washington, D.C. 20220
Attention: Assistant General Counsel (Banking and Finance)
Facsimile: (202) 622-1974

5.7 Definitions

(a) When a reference is made in this Agreement to a subsidiary of a person, the term “*subsidiary*” means any corporation, partnership, joint venture, limited liability company or other entity (x) of which such person or a subsidiary of such person is a general partner or (y) of which a majority of the voting securities or other voting interests, or a majority of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or persons performing similar functions with respect to such entity, is directly or indirectly owned by such person and/or one or more subsidiaries thereof.

(b) The term “*Affiliate*” means, with respect to any person, any person directly or indirectly controlling, controlled by or under common control with, such other person. For purposes of this definition, “*control*” (including, with correlative meanings, the terms

“controlled by” and “under common control with”) when used with respect to any person, means the possession, directly or indirectly, of the power to cause the direction of management and/or policies of such person, whether through the ownership of voting securities by contract or otherwise.

(c) The terms “*knowledge of the Company*” or “*Company’s knowledge*” mean the actual knowledge after reasonable and due inquiry of the “*officers*” (as such term is defined in Rule 3b-2 under the Exchange Act, but excluding any Vice President or Secretary) of the Company.

5.8 Assignment. Neither this Agreement nor any right, remedy, obligation nor liability arising hereunder or by reason hereof shall be assignable by any party hereto without the prior written consent of the other party, and any attempt to assign any right, remedy, obligation or liability hereunder without such consent shall be void, except (a) an assignment, in the case of a merger, consolidation, statutory share exchange or similar transaction that requires the approval of the Company’s stockholders (a “*Business Combination*”) where such party is not the surviving entity, or a sale of substantially all of its assets, to the entity which is the survivor of such Business Combination or the purchaser in such sale and (b) as provided in Sections 3.5 and 4.5.

5.9 Severability. If any provision of this Agreement or the Warrant, or the application thereof to any person or circumstance, is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to persons or circumstances other than those as to which it has been held invalid or unenforceable, will remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties.

5.10 No Third Party Beneficiaries. Nothing contained in this Agreement, expressed or implied, is intended to confer upon any person or entity other than the Company and the Investor any benefit, right or remedies, except that the provisions of Section 4.5 shall inure to the benefit of the persons referred to in that Section.

ANNEX A

FORM OF CERTIFICATE OF DESIGNATIONS FOR PREFERRED STOCK

[SEE ATTACHED]

FORM OF [CERTIFICATE OF DESIGNATIONS]
OF
FIXED RATE CUMULATIVE PERPETUAL PREFERRED STOCK, SERIES [●]
OF
[●]

[Insert name of Issuer], a [corporation/bank/banking association] organized and existing under the laws of the *[Insert jurisdiction of organization]* (the “*Issuer*”), in accordance with the provisions of Section[s] [●] of the *[Insert applicable statute]* thereof, does hereby certify:

The board of directors of the Issuer (the “Board of Directors”) or an applicable committee of the Board of Directors, in accordance with the [[certificate of incorporation/articles of association] and bylaws] of the Issuer and applicable law, adopted the following resolution on [●] creating a series of [●] shares of Preferred Stock of the Issuer designated as “Fixed Rate Cumulative Perpetual Preferred Stock, Series [●]”.

RESOLVED, that pursuant to the provisions of the [[certificate of incorporation/articles of association] and the bylaws] of the Issuer and applicable law, a series of Preferred Stock, par value \$[●] per share, of the Issuer be and hereby is created, and that the designation and number of shares of such series, and the voting and other powers, preferences and relative, participating, optional or other rights, and the qualifications, limitations and restrictions thereof, of the shares of such series, are as follows:

Part 1. Designation and Number of Shares. There is hereby created out of the authorized and unissued shares of preferred stock of the Issuer a series of preferred stock designated as the “Fixed Rate Cumulative Perpetual Preferred Stock, Series [●]” (the “Designated Preferred Stock”). The authorized number of shares of Designated Preferred Stock shall be [●].

Part 2. Standard Provisions. The Standard Provisions contained in Schedule A attached hereto are incorporated herein by reference in their entirety and shall be deemed to be a part of this [Certificate of Designations] to the same extent as if such provisions had been set forth in full herein.

Part 3. Definitions. The following terms are used in this [Certificate of Designations] (including the Standard Provisions in Schedule A hereto) as defined below:

(a) “Common Stock” means the common stock, par value \$[●] per share, of the Issuer.

(b) “Dividend Payment Date” means February 15, May 15, August 15 and November 15 of each year.

(c) “Junior Stock” means the Common Stock, *[Insert titles of any existing Junior Stock]* and any other class or series of stock of the Issuer the terms of which expressly provide that it ranks junior to Designated Preferred Stock as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Issuer.

(d) “Liquidation Amount” means \$[1,000]¹ per share of Designated Preferred Stock.

(e) “Minimum Amount” means \$*[Insert \$ amount equal to 25% of the aggregate value of the Designated Preferred Stock issued on the Original Issue Date]*.

(f) “Parity Stock” means any class or series of stock of the Issuer (other than Designated Preferred Stock) the terms of which do not expressly provide that such class or series will rank senior or junior to Designated Preferred Stock as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Issuer (in each case without regard to whether dividends accrue cumulatively or non-cumulatively). Without limiting the foregoing, Parity Stock shall include the Issuer’s *[Insert title(s) of existing classes or series of Parity Stock]*.

(g) “Signing Date” means *[Insert date of applicable securities purchase agreement]*.

Part. 4. Certain Voting Matters. *[To be inserted if the Charter provides for voting in proportion to liquidation preferences:* Whether the vote or consent of the holders of a plurality, majority or other portion of the shares of Designated Preferred Stock and any Voting Parity Stock has been cast or given on any matter on which the holders of shares of Designated Preferred Stock are entitled to vote shall be determined by the Issuer by reference to the specified liquidation amount of the shares voted or covered by the consent as if the Issuer were liquidated on the record date for such vote or consent, if any, or, in the absence of a record date, on the date for such vote or consent. For purposes of determining the voting rights of the holders of Designated Preferred Stock under Section 7 of the Standard Provisions forming part of this [Certificate of Designations], each holder will be entitled to one vote for each \$1,000 of liquidation preference to which such holder’s shares are entitled.] *[To be inserted if the Charter does not provide for voting in proportion to liquidation preferences:* Holders of shares of Designated Preferred Stock will be entitled to one vote for each such share on any matter on which holders of Designated Preferred Stock are entitled to vote, including any action by written consent.]

[Remainder of Page Intentionally Left Blank]

¹ If Issuer desires to issue shares with a higher dollar amount liquidation preference, liquidation preference references will be modified accordingly. In such case (in accordance with Section 4.6 of the Securities Purchase Agreement), the issuer will be required to enter into a deposit agreement.

IN WITNESS WHEREOF, *[Insert name of Issuer]* has caused this [Certificate of Designations] to be signed by [●], its [●], this [●] day of [●].

[Insert name of Issuer]

By: _____

Name:

Title:

STANDARD PROVISIONS

Section 1. General Matters. Each share of Designated Preferred Stock shall be identical in all respects to every other share of Designated Preferred Stock. The Designated Preferred Stock shall be perpetual, subject to the provisions of Section 5 of these Standard Provisions that form a part of the Certificate of Designations. The Designated Preferred Stock shall rank equally with Parity Stock and shall rank senior to Junior Stock with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Issuer.

Section 2. Standard Definitions. As used herein with respect to Designated Preferred Stock:

(a) “Applicable Dividend Rate” means (i) during the period from the Original Issue Date to, but excluding, the first day of the first Dividend Period commencing on or after the fifth anniversary of the Original Issue Date, 5% per annum and (ii) from and after the first day of the first Dividend Period commencing on or after the fifth anniversary of the Original Issue Date, 9% per annum.

(b) “Appropriate Federal Banking Agency” means the “appropriate Federal banking agency” with respect to the Issuer as defined in Section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. Section 1813(q)), or any successor provision.

(c) “Business Combination” means a merger, consolidation, statutory share exchange or similar transaction that requires the approval of the Issuer’s stockholders.

(d) “Business Day” means any day except Saturday, Sunday and any day on which banking institutions in the State of New York generally are authorized or required by law or other governmental actions to close.

(e) “Bylaws” means the bylaws of the Issuer, as they may be amended from time to time.

(f) “Certificate of Designations” means the Certificate of Designations or comparable instrument relating to the Designated Preferred Stock, of which these Standard Provisions form a part, as it may be amended from time to time.

(g) “Charter” means the Issuer’s certificate or articles of incorporation, articles of association, or similar organizational document.

(h) “Dividend Period” has the meaning set forth in Section 3(a).

(i) “Dividend Record Date” has the meaning set forth in Section 3(a).

(j) “Liquidation Preference” has the meaning set forth in Section 4(a).

(k) “Original Issue Date” means the date on which shares of Designated Preferred Stock are first issued.

(l) “Preferred Director” has the meaning set forth in Section 7(b).

(m) “Preferred Stock” means any and all series of preferred stock of the Issuer, including the Designated Preferred Stock.

(n) “Qualified Equity Offering” means the sale and issuance for cash by the Issuer to persons other than the Issuer or any of its subsidiaries after the Original Issue Date of shares of perpetual Preferred Stock, Common Stock or any combination of such stock, that, in each case, qualify as and may be included in Tier 1 capital of the Issuer at the time of issuance under the applicable risk-based capital guidelines of the Issuer’s Appropriate Federal Banking Agency (other than any such sales and issuances made pursuant to agreements or arrangements entered into, or pursuant to financing plans which were publicly announced, on or prior to November 17, 2008).

(o) “Standard Provisions” mean these Standard Provisions that form a part of the Certificate of Designations relating to the Designated Preferred Stock.

(p) “Successor Preferred Stock” has the meaning set forth in Section 5(a).

(q) “Voting Parity Stock” means, with regard to any matter as to which the holders of Designated Preferred Stock are entitled to vote as specified in Sections 7(a) and 7(b) of these Standard Provisions that form a part of the Certificate of Designations, any and all series of Parity Stock upon which like voting rights have been conferred and are exercisable with respect to such matter.

Section 3. Dividends.

(a) Rate. Holders of Designated Preferred Stock shall be entitled to receive, on each share of Designated Preferred Stock if, as and when declared by the Board of Directors or any duly authorized committee of the Board of Directors, but only out of assets legally available therefor, cumulative cash dividends with respect to each Dividend Period (as defined below) at a rate per annum equal to the Applicable Dividend Rate on (i) the Liquidation Amount per share of Designated Preferred Stock and (ii) the amount of accrued and unpaid dividends for any prior Dividend Period on such share of Designated Preferred Stock, if any. Such dividends shall begin to accrue and be cumulative from the Original Issue Date, shall compound on each subsequent Dividend Payment Date (*i.e.*, no dividends shall accrue on other dividends unless and until the first Dividend Payment Date for such other dividends has passed without such other dividends having been paid on such date) and shall be payable quarterly in arrears on each Dividend Payment Date, commencing with the first such Dividend Payment Date to occur at least 20 calendar days after the Original Issue Date. In the event that any Dividend Payment Date would otherwise fall on a day that is not a Business Day, the dividend payment due on that date will be postponed to the next day that is a Business Day and no additional dividends will accrue as a result of that postponement. The period from and including any Dividend Payment Date to, but excluding, the next Dividend Payment Date is a “Dividend Period”, provided that the initial

Dividend Period shall be the period from and including the Original Issue Date to, but excluding, the next Dividend Payment Date.

Dividends that are payable on Designated Preferred Stock in respect of any Dividend Period shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The amount of dividends payable on Designated Preferred Stock on any date prior to the end of a Dividend Period, and for the initial Dividend Period, shall be computed on the basis of a 360-day year consisting of twelve 30-day months, and actual days elapsed over a 30-day month.

Dividends that are payable on Designated Preferred Stock on any Dividend Payment Date will be payable to holders of record of Designated Preferred Stock as they appear on the stock register of the Issuer on the applicable record date, which shall be the 15th calendar day immediately preceding such Dividend Payment Date or such other record date fixed by the Board of Directors or any duly authorized committee of the Board of Directors that is not more than 60 nor less than 10 days prior to such Dividend Payment Date (each, a "Dividend Record Date"). Any such day that is a Dividend Record Date shall be a Dividend Record Date whether or not such day is a Business Day.

Holders of Designated Preferred Stock shall not be entitled to any dividends, whether payable in cash, securities or other property, other than dividends (if any) declared and payable on Designated Preferred Stock as specified in this Section 3 (subject to the other provisions of the Certificate of Designations).

(b) Priority of Dividends. So long as any share of Designated Preferred Stock remains outstanding, no dividend or distribution shall be declared or paid on the Common Stock or any other shares of Junior Stock (other than dividends payable solely in shares of Common Stock) or Parity Stock, subject to the immediately following paragraph in the case of Parity Stock, and no Common Stock, Junior Stock or Parity Stock shall be, directly or indirectly, purchased, redeemed or otherwise acquired for consideration by the Issuer or any of its subsidiaries unless all accrued and unpaid dividends for all past Dividend Periods, including the latest completed Dividend Period (including, if applicable as provided in Section 3(a) above, dividends on such amount), on all outstanding shares of Designated Preferred Stock have been or are contemporaneously declared and paid in full (or have been declared and a sum sufficient for the payment thereof has been set aside for the benefit of the holders of shares of Designated Preferred Stock on the applicable record date). The foregoing limitation shall not apply to (i) redemptions, purchases or other acquisitions of shares of Common Stock or other Junior Stock in connection with the administration of any employee benefit plan in the ordinary course of business and consistent with past practice; (ii) the acquisition by the Issuer or any of its subsidiaries of record ownership in Junior Stock or Parity Stock for the beneficial ownership of any other persons (other than the Issuer or any of its subsidiaries), including as trustees or custodians; and (iii) the exchange or conversion of Junior Stock for or into other Junior Stock or of Parity Stock for or into other Parity Stock (with the same or lesser aggregate liquidation amount) or Junior Stock, in each case, solely to the extent required pursuant to binding contractual agreements entered into prior to the Signing Date or any subsequent agreement for the accelerated exercise, settlement or exchange thereof for Common Stock.

When dividends are not paid (or declared and a sum sufficient for payment thereof set aside for the benefit of the holders thereof on the applicable record date) on any Dividend Payment Date (or, in the case of Parity Stock having dividend payment dates different from the Dividend Payment Dates, on a dividend payment date falling within a Dividend Period related to such Dividend Payment Date) in full upon Designated Preferred Stock and any shares of Parity Stock, all dividends declared on Designated Preferred Stock and all such Parity Stock and payable on such Dividend Payment Date (or, in the case of Parity Stock having dividend payment dates different from the Dividend Payment Dates, on a dividend payment date falling within the Dividend Period related to such Dividend Payment Date) shall be declared *pro rata* so that the respective amounts of such dividends declared shall bear the same ratio to each other as all accrued and unpaid dividends per share on the shares of Designated Preferred Stock (including, if applicable as provided in Section 3(a) above, dividends on such amount) and all Parity Stock payable on such Dividend Payment Date (or, in the case of Parity Stock having dividend payment dates different from the Dividend Payment Dates, on a dividend payment date falling within the Dividend Period related to such Dividend Payment Date) (subject to their having been declared by the Board of Directors or a duly authorized committee of the Board of Directors out of legally available funds and including, in the case of Parity Stock that bears cumulative dividends, all accrued but unpaid dividends) bear to each other. If the Board of Directors or a duly authorized committee of the Board of Directors determines not to pay any dividend or a full dividend on a Dividend Payment Date, the Issuer will provide written notice to the holders of Designated Preferred Stock prior to such Dividend Payment Date.

Subject to the foregoing, and not otherwise, such dividends (payable in cash, securities or other property) as may be determined by the Board of Directors or any duly authorized committee of the Board of Directors may be declared and paid on any securities, including Common Stock and other Junior Stock, from time to time out of any funds legally available for such payment, and holders of Designated Preferred Stock shall not be entitled to participate in any such dividends.

Section 4. Liquidation Rights.

(a) Voluntary or Involuntary Liquidation. In the event of any liquidation, dissolution or winding up of the affairs of the Issuer, whether voluntary or involuntary, holders of Designated Preferred Stock shall be entitled to receive for each share of Designated Preferred Stock, out of the assets of the Issuer or proceeds thereof (whether capital or surplus) available for distribution to stockholders of the Issuer, subject to the rights of any creditors of the Issuer, before any distribution of such assets or proceeds is made to or set aside for the holders of Common Stock and any other stock of the Issuer ranking junior to Designated Preferred Stock as to such distribution, payment in full in an amount equal to the sum of (i) the Liquidation Amount per share and (ii) the amount of any accrued and unpaid dividends (including, if applicable as provided in Section 3(a) above, dividends on such amount), whether or not declared, to the date of payment (such amounts collectively, the "Liquidation Preference").

(b) Partial Payment. If in any distribution described in Section 4(a) above the assets of the Issuer or proceeds thereof are not sufficient to pay in full the amounts payable with respect to all outstanding shares of Designated Preferred Stock and the corresponding amounts payable with respect of any other stock of the Issuer ranking equally with Designated Preferred Stock as

to such distribution, holders of Designated Preferred Stock and the holders of such other stock shall share ratably in any such distribution in proportion to the full respective distributions to which they are entitled.

(c) Residual Distributions. If the Liquidation Preference has been paid in full to all holders of Designated Preferred Stock and the corresponding amounts payable with respect of any other stock of the Issuer ranking equally with Designated Preferred Stock as to such distribution has been paid in full, the holders of other stock of the Issuer shall be entitled to receive all remaining assets of the Issuer (or proceeds thereof) according to their respective rights and preferences.

(d) Merger, Consolidation and Sale of Assets Not Liquidation. For purposes of this Section 4, the merger or consolidation of the Issuer with any other corporation or other entity, including a merger or consolidation in which the holders of Designated Preferred Stock receive cash, securities or other property for their shares, or the sale, lease or exchange (for cash, securities or other property) of all or substantially all of the assets of the Issuer, shall not constitute a liquidation, dissolution or winding up of the Issuer.

Section 5. Redemption.

(a) Optional Redemption. Except as provided below, the Designated Preferred Stock may not be redeemed prior to the first Dividend Payment Date falling on or after the third anniversary of the Original Issue Date. On or after the first Dividend Payment Date falling on or after the third anniversary of the Original Issue Date, the Issuer, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, in whole or in part, at any time and from time to time, out of funds legally available therefor, the shares of Designated Preferred Stock at the time outstanding, upon notice given as provided in Section 5(c) below, at a redemption price equal to the sum of (i) the Liquidation Amount per share and (ii) except as otherwise provided below, any accrued and unpaid dividends (including, if applicable as provided in Section 3(a) above, dividends on such amount) (regardless of whether any dividends are actually declared) to, but excluding, the date fixed for redemption.

Notwithstanding the foregoing, prior to the first Dividend Payment Date falling on or after the third anniversary of the Original Issue Date, the Issuer, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, in whole or in part, at any time and from time to time, the shares of Designated Preferred Stock at the time outstanding, upon notice given as provided in Section 5(c) below, at a redemption price equal to the sum of (i) the Liquidation Amount per share and (ii) except as otherwise provided below, any accrued and unpaid dividends (including, if applicable as provided in Section 3(a) above, dividends on such amount) (regardless of whether any dividends are actually declared) to, but excluding, the date fixed for redemption; *provided* that (x) the Issuer (or any successor by Business Combination) has received aggregate gross proceeds of not less than the Minimum Amount (plus the "Minimum Amount" as defined in the relevant certificate of designations for each other outstanding series of preferred stock of such successor that was originally issued to the United States Department of the Treasury (the "Successor Preferred Stock") in connection with the Troubled Asset Relief Program Capital Purchase Program) from one or more Qualified Equity Offerings (including Qualified Equity Offerings of such successor), and (y) the aggregate

redemption price of the Designated Preferred Stock (and any Successor Preferred Stock) redeemed pursuant to this paragraph may not exceed the aggregate net cash proceeds received by the Issuer (or any successor by Business Combination) from such Qualified Equity Offerings (including Qualified Equity Offerings of such successor).

The redemption price for any shares of Designated Preferred Stock shall be payable on the redemption date to the holder of such shares against surrender of the certificate(s) evidencing such shares to the Issuer or its agent. Any declared but unpaid dividends payable on a redemption date that occurs subsequent to the Dividend Record Date for a Dividend Period shall not be paid to the holder entitled to receive the redemption price on the redemption date, but rather shall be paid to the holder of record of the redeemed shares on such Dividend Record Date relating to the Dividend Payment Date as provided in Section 3 above.

(b) No Sinking Fund. The Designated Preferred Stock will not be subject to any mandatory redemption, sinking fund or other similar provisions. Holders of Designated Preferred Stock will have no right to require redemption or repurchase of any shares of Designated Preferred Stock.

(c) Notice of Redemption. Notice of every redemption of shares of Designated Preferred Stock shall be given by first class mail, postage prepaid, addressed to the holders of record of the shares to be redeemed at their respective last addresses appearing on the books of the Issuer. Such mailing shall be at least 30 days and not more than 60 days before the date fixed for redemption. Any notice mailed as provided in this Subsection shall be conclusively presumed to have been duly given, whether or not the holder receives such notice, but failure duly to give such notice by mail, or any defect in such notice or in the mailing thereof, to any holder of shares of Designated Preferred Stock designated for redemption shall not affect the validity of the proceedings for the redemption of any other shares of Designated Preferred Stock. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Company or any other similar facility, notice of redemption may be given to the holders of Designated Preferred Stock at such time and in any manner permitted by such facility. Each notice of redemption given to a holder shall state: (1) the redemption date; (2) the number of shares of Designated Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder; (3) the redemption price; and (4) the place or places where certificates for such shares are to be surrendered for payment of the redemption price.

(d) Partial Redemption. In case of any redemption of part of the shares of Designated Preferred Stock at the time outstanding, the shares to be redeemed shall be selected either *pro rata* or in such other manner as the Board of Directors or a duly authorized committee thereof may determine to be fair and equitable. Subject to the provisions hereof, the Board of Directors or a duly authorized committee thereof shall have full power and authority to prescribe the terms and conditions upon which shares of Designated Preferred Stock shall be redeemed from time to time. If fewer than all the shares represented by any certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without charge to the holder thereof.

(e) Effectiveness of Redemption. If notice of redemption has been duly given and if on or before the redemption date specified in the notice all funds necessary for the redemption

have been deposited by the Issuer, in trust for the *pro rata* benefit of the holders of the shares called for redemption, with a bank or trust company doing business in the Borough of Manhattan, The City of New York, and having a capital and surplus of at least \$500 million and selected by the Board of Directors, so as to be and continue to be available solely therefor, then, notwithstanding that any certificate for any share so called for redemption has not been surrendered for cancellation, on and after the redemption date dividends shall cease to accrue on all shares so called for redemption, all shares so called for redemption shall no longer be deemed outstanding and all rights with respect to such shares shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive the amount payable on such redemption from such bank or trust company, without interest. Any funds unclaimed at the end of three years from the redemption date shall, to the extent permitted by law, be released to the Issuer, after which time the holders of the shares so called for redemption shall look only to the Issuer for payment of the redemption price of such shares.

(f) Status of Redeemed Shares. Shares of Designated Preferred Stock that are redeemed, repurchased or otherwise acquired by the Issuer shall revert to authorized but unissued shares of Preferred Stock (*provided* that any such cancelled shares of Designated Preferred Stock may be reissued only as shares of any series of Preferred Stock other than Designated Preferred Stock).

Section 6. Conversion. Holders of Designated Preferred Stock shares shall have no right to exchange or convert such shares into any other securities.

Section 7. Voting Rights.

(a) General. The holders of Designated Preferred Stock shall not have any voting rights except as set forth below or as otherwise from time to time required by law.

(b) Preferred Stock Directors. Whenever, at any time or times, dividends payable on the shares of Designated Preferred Stock have not been paid for an aggregate of six quarterly Dividend Periods or more, whether or not consecutive, the authorized number of directors of the Issuer shall automatically be increased by two and the holders of the Designated Preferred Stock shall have the right, with holders of shares of any one or more other classes or series of Voting Parity Stock outstanding at the time, voting together as a class, to elect two directors (hereinafter the "Preferred Directors" and each a "Preferred Director") to fill such newly created directorships at the Issuer's next annual meeting of stockholders (or at a special meeting called for that purpose prior to such next annual meeting) and at each subsequent annual meeting of stockholders until all accrued and unpaid dividends for all past Dividend Periods, including the latest completed Dividend Period (including, if applicable as provided in Section 3(a) above, dividends on such amount), on all outstanding shares of Designated Preferred Stock have been declared and paid in full at which time such right shall terminate with respect to the Designated Preferred Stock, except as herein or by law expressly provided, subject to revesting in the event of each and every subsequent default of the character above mentioned; *provided* that it shall be a qualification for election for any Preferred Director that the election of such Preferred Director shall not cause the Issuer to violate any corporate governance requirements of any securities exchange or other trading facility on which securities of the Issuer may then be listed or traded that listed or traded companies must have a majority of independent directors. Upon any

termination of the right of the holders of shares of Designated Preferred Stock and Voting Parity Stock as a class to vote for directors as provided above, the Preferred Directors shall cease to be qualified as directors, the term of office of all Preferred Directors then in office shall terminate immediately and the authorized number of directors shall be reduced by the number of Preferred Directors elected pursuant hereto. Any Preferred Director may be removed at any time, with or without cause, and any vacancy created thereby may be filled, only by the affirmative vote of the holders a majority of the shares of Designated Preferred Stock at the time outstanding voting separately as a class together with the holders of shares of Voting Parity Stock, to the extent the voting rights of such holders described above are then exercisable. If the office of any Preferred Director becomes vacant for any reason other than removal from office as aforesaid, the remaining Preferred Director may choose a successor who shall hold office for the unexpired term in respect of which such vacancy occurred.

(c) Class Voting Rights as to Particular Matters. So long as any shares of Designated Preferred Stock are outstanding, in addition to any other vote or consent of stockholders required by law or by the Charter, the vote or consent of the holders of at least 66 2/3% of the shares of Designated Preferred Stock at the time outstanding, voting as a separate class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, shall be necessary for effecting or validating:

(i) Authorization of Senior Stock. Any amendment or alteration of the Certificate of Designations for the Designated Preferred Stock or the Charter to authorize or create or increase the authorized amount of, or any issuance of, any shares of, or any securities convertible into or exchangeable or exercisable for shares of, any class or series of capital stock of the Issuer ranking senior to Designated Preferred Stock with respect to either or both the payment of dividends and/or the distribution of assets on any liquidation, dissolution or winding up of the Issuer;

(ii) Amendment of Designated Preferred Stock. Any amendment, alteration or repeal of any provision of the Certificate of Designations for the Designated Preferred Stock or the Charter (including, unless no vote on such merger or consolidation is required by Section 7(c)(iii) below, any amendment, alteration or repeal by means of a merger, consolidation or otherwise) so as to adversely affect the rights, preferences, privileges or voting powers of the Designated Preferred Stock; or

(iii) Share Exchanges, Reclassifications, Mergers and Consolidations. Any consummation of a binding share exchange or reclassification involving the Designated Preferred Stock, or of a merger or consolidation of the Issuer with another corporation or other entity, unless in each case (x) the shares of Designated Preferred Stock remain outstanding or, in the case of any such merger or consolidation with respect to which the Issuer is not the surviving or resulting entity, are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (y) such shares remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, and limitations and restrictions thereof, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers, and limitations and restrictions

thereof, of Designated Preferred Stock immediately prior to such consummation, taken as a whole;

provided, however, that for all purposes of this Section 7(c), any increase in the amount of the authorized Preferred Stock, including any increase in the authorized amount of Designated Preferred Stock necessary to satisfy preemptive or similar rights granted by the Issuer to other persons prior to the Signing Date, or the creation and issuance, or an increase in the authorized or issued amount, whether pursuant to preemptive or similar rights or otherwise, of any other series of Preferred Stock, or any securities convertible into or exchangeable or exercisable for any other series of Preferred Stock, ranking equally with and/or junior to Designated Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and the distribution of assets upon liquidation, dissolution or winding up of the Issuer will not be deemed to adversely affect the rights, preferences, privileges or voting powers, and shall not require the affirmative vote or consent of, the holders of outstanding shares of the Designated Preferred Stock.

(d) Changes after Provision for Redemption. No vote or consent of the holders of Designated Preferred Stock shall be required pursuant to Section 7(c) above if, at or prior to the time when any such vote or consent would otherwise be required pursuant to such Section, all outstanding shares of the Designated Preferred Stock shall have been redeemed, or shall have been called for redemption upon proper notice and sufficient funds shall have been deposited in trust for such redemption, in each case pursuant to Section 5 above.

(e) Procedures for Voting and Consents. The rules and procedures for calling and conducting any meeting of the holders of Designated Preferred Stock (including, without limitation, the fixing of a record date in connection therewith), the solicitation and use of proxies at such a meeting, the obtaining of written consents and any other aspect or matter with regard to such a meeting or such consents shall be governed by any rules of the Board of Directors or any duly authorized committee of the Board of Directors, in its discretion, may adopt from time to time, which rules and procedures shall conform to the requirements of the Charter, the Bylaws, and applicable law and the rules of any national securities exchange or other trading facility on which Designated Preferred Stock is listed or traded at the time.

Section 8. Record Holders. To the fullest extent permitted by applicable law, the Issuer and the transfer agent for Designated Preferred Stock may deem and treat the record holder of any share of Designated Preferred Stock as the true and lawful owner thereof for all purposes, and neither the Issuer nor such transfer agent shall be affected by any notice to the contrary.

Section 9. Notices. All notices or communications in respect of Designated Preferred Stock shall be sufficiently given if given in writing and delivered in person or by first class mail, postage prepaid, or if given in such other manner as may be permitted in this Certificate of Designations, in the Charter or Bylaws or by applicable law. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Company or any similar facility, such notices may be given to the holders of Designated Preferred Stock in any manner permitted by such facility.

Section 10. No Preemptive Rights. No share of Designated Preferred Stock shall have any rights of preemption whatsoever as to any securities of the Issuer, or any warrants, rights or options issued or granted with respect thereto, regardless of how such securities, or such warrants, rights or options, may be designated, issued or granted.

Section 11. Replacement Certificates. The Issuer shall replace any mutilated certificate at the holder's expense upon surrender of that certificate to the Issuer. The Issuer shall replace certificates that become destroyed, stolen or lost at the holder's expense upon delivery to the Issuer of reasonably satisfactory evidence that the certificate has been destroyed, stolen or lost, together with any indemnity that may be reasonably required by the Issuer.

Section 12. Other Rights. The shares of Designated Preferred Stock shall not have any rights, preferences, privileges or voting powers or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or in the Charter or as provided by applicable law.

ANNEX B

**FORM OF CERTIFICATE OF DESIGNATIONS
FOR WARRANT PREFERRED STOCK**

[SEE ATTACHED]

FORM OF [CERTIFICATE OF DESIGNATIONS]

OF

FIXED RATE CUMULATIVE PERPETUAL PREFERRED STOCK, SERIES [●]

OF

[●]

[*Insert name of Issuer*], a [corporation/bank/banking association] organized and existing under the laws of the [*Insert jurisdiction of organization*] (the "Issuer"), in accordance with the provisions of Section[s] [●] of the [*Insert applicable statute*] thereof, does hereby certify:

The board of directors of the Issuer (the "Board of Directors") or an applicable committee of the Board of Directors, in accordance with the [[certificate of incorporation/articles of association] and bylaws] of the Issuer and applicable law, adopted the following resolution on [●] creating a series of [●] shares of Preferred Stock of the Issuer designated as "Fixed Rate Cumulative Perpetual Preferred Stock, Series [●]".

RESOLVED, that pursuant to the provisions of the [[certificate of incorporation/articles of association] and the bylaws] of the Issuer and applicable law, a series of Preferred Stock, par value \$[●] per share, of the Issuer be and hereby is created, and that the designation and number of shares of such series, and the voting and other powers, preferences and relative, participating, optional or other rights, and the qualifications, limitations and restrictions thereof, of the shares of such series, are as follows:

Part 1. Designation and Number of Shares. There is hereby created out of the authorized and unissued shares of preferred stock of the Issuer a series of preferred stock designated as the "Fixed Rate Cumulative Perpetual Preferred Stock, Series [●]" (the "Designated Preferred Stock"). The authorized number of shares of Designated Preferred Stock shall be [●].

Part 2. Standard Provisions. The Standard Provisions contained in Schedule A attached hereto are incorporated herein by reference in their entirety and shall be deemed to be a part of this [Certificate of Designations] to the same extent as if such provisions had been set forth in full herein.

Part 3. Definitions. The following terms are used in this [Certificate of Designations] (including the Standard Provisions in Schedule A hereto) as defined below:

(a) "Common Stock" means the common stock, par value \$[●] per share, of the Issuer.

(b) "Dividend Payment Date" means February 15, May 15, August 15 and November 15 of each year.

(c) “Junior Stock” means the Common Stock, *[Insert titles of any existing Junior Stock]* and any other class or series of stock of the Issuer the terms of which expressly provide that it ranks junior to Designated Preferred Stock as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Issuer.

(d) “Liquidation Amount” means \$[1,000]¹ per share of Designated Preferred Stock.

(e) “Minimum Amount” means \$*[Insert \$ amount equal to 25% of the aggregate value of the Designated Preferred Stock issued on the Original Issue Date]*.

(f) “Parity Stock” means any class or series of stock of the Issuer (other than Designated Preferred Stock) the terms of which do not expressly provide that such class or series will rank senior or junior to Designated Preferred Stock as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Issuer (in each case without regard to whether dividends accrue cumulatively or non-cumulatively). Without limiting the foregoing, Parity Stock shall include the Issuer’s UST Preferred Stock *[and] [Insert title(s) of any other classes or series of Parity Stock]*.

(g) “Signing Date” means *[Insert date of applicable securities purchase agreement]*.

(h) “UST Preferred Stock” means the Issuer’s Fixed Rate Cumulative Perpetual Preferred Stock, Series [●].

Part. 4. Certain Voting Matters. *[To be inserted if the Charter provides for voting in proportion to liquidation preferences:* Whether the vote or consent of the holders of a plurality, majority or other portion of the shares of Designated Preferred Stock and any Voting Parity Stock has been cast or given on any matter on which the holders of shares of Designated Preferred Stock are entitled to vote shall be determined by the Issuer by reference to the specified liquidation amount of the shares voted or covered by the consent as if the Issuer were liquidated on the record date for such vote or consent, if any, or, in the absence of a record date, on the date for such vote or consent. For purposes of determining the voting rights of the holders of Designated Preferred Stock under Section 7 of the Standard Provisions forming part of this *[Certificate of Designations]*, each holder will be entitled to one vote for each \$1,000 of liquidation preference to which such holder’s shares are entitled.] *[To be inserted if the Charter does not provide for voting in proportion to liquidation preferences:* Holders of shares of Designated Preferred Stock will be entitled to one vote for each such share on any matter on which holders of Designated Preferred Stock are entitled to vote, including any action by written consent.]

[Remainder of Page Intentionally Left Blank]

¹ If Issuer desires to issue shares with a higher dollar amount liquidation preference, liquidation preference references will be modified accordingly. In such case (in accordance with Section 4.6 of the Securities Purchase Agreement), the issuer will be required to enter into a deposit agreement.

IN WITNESS WHEREOF, *[Insert name of Issuer]* has caused this [Certificate of Designations] to be signed by [●], its [●], this [●] day of [●].

[Insert name of Issuer]

By: _____

Name:

Title:

STANDARD PROVISIONS

Section 1. General Matters. Each share of Designated Preferred Stock shall be identical in all respects to every other share of Designated Preferred Stock. The Designated Preferred Stock shall be perpetual, subject to the provisions of Section 5 of these Standard Provisions that form a part of the Certificate of Designations. The Designated Preferred Stock shall rank equally with Parity Stock and shall rank senior to Junior Stock with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Issuer.

Section 2. Standard Definitions. As used herein with respect to Designated Preferred Stock:

(a) “Appropriate Federal Banking Agency” means the “appropriate Federal banking agency” with respect to the Issuer as defined in Section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. Section 1813(q)), or any successor provision.

(b) “Business Combination” means a merger, consolidation, statutory share exchange or similar transaction that requires the approval of the Issuer’s stockholders.

(c) “Business Day” means any day except Saturday, Sunday and any day on which banking institutions in the State of New York generally are authorized or required by law or other governmental actions to close.

(d) “Bylaws” means the bylaws of the Issuer, as they may be amended from time to time.

(e) “Certificate of Designations” means the Certificate of Designations or comparable instrument relating to the Designated Preferred Stock, of which these Standard Provisions form a part, as it may be amended from time to time.

(f) “Charter” means the Issuer’s certificate or articles of incorporation, articles of association, or similar organizational document.

(g) “Dividend Period” has the meaning set forth in Section 3(a).

(h) “Dividend Record Date” has the meaning set forth in Section 3(a).

(i) “Liquidation Preference” has the meaning set forth in Section 4(a).

(j) “Original Issue Date” means the date on which shares of Designated Preferred Stock are first issued.

(k) “Preferred Director” has the meaning set forth in Section 7(b).

(l) “Preferred Stock” means any and all series of preferred stock of the Issuer, including the Designated Preferred Stock.

(m) “Qualified Equity Offering” means the sale and issuance for cash by the Issuer to persons other than the Issuer or any of its subsidiaries after the Original Issue Date of shares of perpetual Preferred Stock, Common Stock or any combination of such stock, that, in each case, qualify as and may be included in Tier 1 capital of the Issuer at the time of issuance under the applicable risk-based capital guidelines of the Issuer’s Appropriate Federal Banking Agency (other than any such sales and issuances made pursuant to agreements or arrangements entered into, or pursuant to financing plans which were publicly announced, on or prior to November 17, 2008).

(n) “Standard Provisions” mean these Standard Provisions that form a part of the Certificate of Designations relating to the Designated Preferred Stock.

(o) “Successor Preferred Stock” has the meaning set forth in Section 5(a).

(p) “Voting Parity Stock” means, with regard to any matter as to which the holders of Designated Preferred Stock are entitled to vote as specified in Sections 7(a) and 7(b) of these Standard Provisions that form a part of the Certificate of Designations, any and all series of Parity Stock upon which like voting rights have been conferred and are exercisable with respect to such matter.

Section 3. Dividends.

(a) Rate. Holders of Designated Preferred Stock shall be entitled to receive, on each share of Designated Preferred Stock if, as and when declared by the Board of Directors or any duly authorized committee of the Board of Directors, but only out of assets legally available therefor, cumulative cash dividends with respect to each Dividend Period (as defined below) at a per annum rate of 9.0% on (i) the Liquidation Amount per share of Designated Preferred Stock and (ii) the amount of accrued and unpaid dividends for any prior Dividend Period on such share of Designated Preferred Stock, if any. Such dividends shall begin to accrue and be cumulative from the Original Issue Date, shall compound on each subsequent Dividend Payment Date (*i.e.*, no dividends shall accrue on other dividends unless and until the first Dividend Payment Date for such other dividends has passed without such other dividends having been paid on such date) and shall be payable quarterly in arrears on each Dividend Payment Date, commencing with the first such Dividend Payment Date to occur at least 20 calendar days after the Original Issue Date. In the event that any Dividend Payment Date would otherwise fall on a day that is not a Business Day, the dividend payment due on that date will be postponed to the next day that is a Business Day and no additional dividends will accrue as a result of that postponement. The period from and including any Dividend Payment Date to, but excluding, the next Dividend Payment Date is a “Dividend Period”, provided that the initial Dividend Period shall be the period from and including the Original Issue Date to, but excluding, the next Dividend Payment Date.

Dividends that are payable on Designated Preferred Stock in respect of any Dividend Period shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The amount of dividends payable on Designated Preferred Stock on any date prior to the end of a

Dividend Period, and for the initial Dividend Period, shall be computed on the basis of a 360-day year consisting of twelve 30-day months, and actual days elapsed over a 30-day month.

Dividends that are payable on Designated Preferred Stock on any Dividend Payment Date will be payable to holders of record of Designated Preferred Stock as they appear on the stock register of the Issuer on the applicable record date, which shall be the 15th calendar day immediately preceding such Dividend Payment Date or such other record date fixed by the Board of Directors or any duly authorized committee of the Board of Directors that is not more than 60 nor less than 10 days prior to such Dividend Payment Date (each, a “Dividend Record Date”). Any such day that is a Dividend Record Date shall be a Dividend Record Date whether or not such day is a Business Day.

Holders of Designated Preferred Stock shall not be entitled to any dividends, whether payable in cash, securities or other property, other than dividends (if any) declared and payable on Designated Preferred Stock as specified in this Section 3 (subject to the other provisions of the Certificate of Designations).

(b) Priority of Dividends. So long as any share of Designated Preferred Stock remains outstanding, no dividend or distribution shall be declared or paid on the Common Stock or any other shares of Junior Stock (other than dividends payable solely in shares of Common Stock) or Parity Stock, subject to the immediately following paragraph in the case of Parity Stock, and no Common Stock, Junior Stock or Parity Stock shall be, directly or indirectly, purchased, redeemed or otherwise acquired for consideration by the Issuer or any of its subsidiaries unless all accrued and unpaid dividends for all past Dividend Periods, including the latest completed Dividend Period (including, if applicable as provided in Section 3(a) above, dividends on such amount), on all outstanding shares of Designated Preferred Stock have been or are contemporaneously declared and paid in full (or have been declared and a sum sufficient for the payment thereof has been set aside for the benefit of the holders of shares of Designated Preferred Stock on the applicable record date). The foregoing limitation shall not apply to (i) redemptions, purchases or other acquisitions of shares of Common Stock or other Junior Stock in connection with the administration of any employee benefit plan in the ordinary course of business and consistent with past practice; (ii) the acquisition by the Issuer or any of its subsidiaries of record ownership in Junior Stock or Parity Stock for the beneficial ownership of any other persons (other than the Issuer or any of its subsidiaries), including as trustees or custodians; and (iii) the exchange or conversion of Junior Stock for or into other Junior Stock or Parity Stock for or into other Parity Stock (with the same or lesser aggregate liquidation amount) or Junior Stock, in each case, solely to the extent required pursuant to binding contractual agreements entered into prior to the Signing Date or any subsequent agreement for the accelerated exercise, settlement or exchange thereof for Common Stock.

When dividends are not paid (or declared and a sum sufficient for payment thereof set aside for the benefit of the holders thereof on the applicable record date) on any Dividend Payment Date (or, in the case of Parity Stock having dividend payment dates different from the Dividend Payment Dates, on a dividend payment date falling within a Dividend Period related to such Dividend Payment Date) in full upon Designated Preferred Stock and any shares of Parity Stock, all dividends declared on Designated Preferred Stock and all such Parity Stock and payable on such Dividend Payment Date (or, in the case of Parity Stock having dividend

payment dates different from the Dividend Payment Dates, on a dividend payment date falling within the Dividend Period related to such Dividend Payment Date) shall be declared *pro rata* so that the respective amounts of such dividends declared shall bear the same ratio to each other as all accrued and unpaid dividends per share on the shares of Designated Preferred Stock (including, if applicable as provided in Section 3(a) above, dividends on such amount) and all Parity Stock payable on such Dividend Payment Date (or, in the case of Parity Stock having dividend payment dates different from the Dividend Payment Dates, on a dividend payment date falling within the Dividend Period related to such Dividend Payment Date) (subject to their having been declared by the Board of Directors or a duly authorized committee of the Board of Directors out of legally available funds and including, in the case of Parity Stock that bears cumulative dividends, all accrued but unpaid dividends) bear to each other. If the Board of Directors or a duly authorized committee of the Board of Directors determines not to pay any dividend or a full dividend on a Dividend Payment Date, the Issuer will provide written notice to the holders of Designated Preferred Stock prior to such Dividend Payment Date.

Subject to the foregoing, and not otherwise, such dividends (payable in cash, securities or other property) as may be determined by the Board of Directors or any duly authorized committee of the Board of Directors may be declared and paid on any securities, including Common Stock and other Junior Stock, from time to time out of any funds legally available for such payment, and holders of Designated Preferred Stock shall not be entitled to participate in any such dividends.

Section 4. Liquidation Rights.

(a) Voluntary or Involuntary Liquidation. In the event of any liquidation, dissolution or winding up of the affairs of the Issuer, whether voluntary or involuntary, holders of Designated Preferred Stock shall be entitled to receive for each share of Designated Preferred Stock, out of the assets of the Issuer or proceeds thereof (whether capital or surplus) available for distribution to stockholders of the Issuer, subject to the rights of any creditors of the Issuer, before any distribution of such assets or proceeds is made to or set aside for the holders of Common Stock and any other stock of the Issuer ranking junior to Designated Preferred Stock as to such distribution, payment in full in an amount equal to the sum of (i) the Liquidation Amount per share and (ii) the amount of any accrued and unpaid dividends (including, if applicable as provided in Section 3(a) above, dividends on such amount), whether or not declared, to the date of payment (such amounts collectively, the "Liquidation Preference").

(b) Partial Payment. If in any distribution described in Section 4(a) above the assets of the Issuer or proceeds thereof are not sufficient to pay in full the amounts payable with respect to all outstanding shares of Designated Preferred Stock and the corresponding amounts payable with respect of any other stock of the Issuer ranking equally with Designated Preferred Stock as to such distribution, holders of Designated Preferred Stock and the holders of such other stock shall share ratably in any such distribution in proportion to the full respective distributions to which they are entitled.

(c) Residual Distributions. If the Liquidation Preference has been paid in full to all holders of Designated Preferred Stock and the corresponding amounts payable with respect of any other stock of the Issuer ranking equally with Designated Preferred Stock as to such

distribution has been paid in full, the holders of other stock of the Issuer shall be entitled to receive all remaining assets of the Issuer (or proceeds thereof) according to their respective rights and preferences.

(d) Merger, Consolidation and Sale of Assets Not Liquidation. For purposes of this Section 4, the merger or consolidation of the Issuer with any other corporation or other entity, including a merger or consolidation in which the holders of Designated Preferred Stock receive cash, securities or other property for their shares, or the sale, lease or exchange (for cash, securities or other property) of all or substantially all of the assets of the Issuer, shall not constitute a liquidation, dissolution or winding up of the Issuer.

Section 5. Redemption.

(a) Optional Redemption. Except as provided below, the Designated Preferred Stock may not be redeemed prior to the later of (i) first Dividend Payment Date falling on or after the third anniversary of the Original Issue Date; and (ii) the date on which all outstanding shares of UST Preferred Stock have been redeemed, repurchased or otherwise acquired by the Issuer. On or after the first Dividend Payment Date falling on or after the third anniversary of the Original Issue Date, the Issuer, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, in whole or in part, at any time and from time to time, out of funds legally available therefor, the shares of Designated Preferred Stock at the time outstanding, upon notice given as provided in Section 5(c) below, at a redemption price equal to the sum of (i) the Liquidation Amount per share and (ii) except as otherwise provided below, any accrued and unpaid dividends (including, if applicable as provided in Section 3(a) above, dividends on such amount) (regardless of whether any dividends are actually declared) to, but excluding, the date fixed for redemption.

Notwithstanding the foregoing, prior to the first Dividend Payment Date falling on or after the third anniversary of the Original Issue Date, the Issuer, at its option, subject to the approval of the Appropriate Federal Banking Agency and subject to the requirement that all outstanding shares of UST Preferred Stock shall previously have been redeemed, repurchased or otherwise acquired by the Issuer, may redeem, in whole or in part, at any time and from time to time, the shares of Designated Preferred Stock at the time outstanding, upon notice given as provided in Section 5(c) below, at a redemption price equal to the sum of (i) the Liquidation Amount per share and (ii) except as otherwise provided below, any accrued and unpaid dividends (including, if applicable as provided in Section 3(a) above, dividends on such amount) (regardless of whether any dividends are actually declared) to, but excluding, the date fixed for redemption; *provided* that (x) the Issuer (or any successor by Business Combination) has received aggregate gross proceeds of not less than the Minimum Amount (plus the "Minimum Amount" as defined in the relevant certificate of designations for each other outstanding series of preferred stock of such successor that was originally issued to the United States Department of the Treasury (the "Successor Preferred Stock") in connection with the Troubled Asset Relief Program Capital Purchase Program) from one or more Qualified Equity Offerings (including Qualified Equity Offerings of such successor), and (y) the aggregate redemption price of the Designated Preferred Stock (and any Successor Preferred Stock) redeemed pursuant to this paragraph may not exceed the aggregate net cash proceeds received by the Issuer (or any

successor by Business Combination) from such Qualified Equity Offerings (including Qualified Equity Offerings of such successor).

The redemption price for any shares of Designated Preferred Stock shall be payable on the redemption date to the holder of such shares against surrender of the certificate(s) evidencing such shares to the Issuer or its agent. Any declared but unpaid dividends payable on a redemption date that occurs subsequent to the Dividend Record Date for a Dividend Period shall not be paid to the holder entitled to receive the redemption price on the redemption date, but rather shall be paid to the holder of record of the redeemed shares on such Dividend Record Date relating to the Dividend Payment Date as provided in Section 3 above.

(b) No Sinking Fund. The Designated Preferred Stock will not be subject to any mandatory redemption, sinking fund or other similar provisions. Holders of Designated Preferred Stock will have no right to require redemption or repurchase of any shares of Designated Preferred Stock.

(c) Notice of Redemption. Notice of every redemption of shares of Designated Preferred Stock shall be given by first class mail, postage prepaid, addressed to the holders of record of the shares to be redeemed at their respective last addresses appearing on the books of the Issuer. Such mailing shall be at least 30 days and not more than 60 days before the date fixed for redemption. Any notice mailed as provided in this Subsection shall be conclusively presumed to have been duly given, whether or not the holder receives such notice, but failure duly to give such notice by mail, or any defect in such notice or in the mailing thereof, to any holder of shares of Designated Preferred Stock designated for redemption shall not affect the validity of the proceedings for the redemption of any other shares of Designated Preferred Stock. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Company or any other similar facility, notice of redemption may be given to the holders of Designated Preferred Stock at such time and in any manner permitted by such facility. Each notice of redemption given to a holder shall state: (1) the redemption date; (2) the number of shares of Designated Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder; (3) the redemption price; and (4) the place or places where certificates for such shares are to be surrendered for payment of the redemption price.

(d) Partial Redemption. In case of any redemption of part of the shares of Designated Preferred Stock at the time outstanding, the shares to be redeemed shall be selected either *pro rata* or in such other manner as the Board of Directors or a duly authorized committee thereof may determine to be fair and equitable. Subject to the provisions hereof, the Board of Directors or a duly authorized committee thereof shall have full power and authority to prescribe the terms and conditions upon which shares of Designated Preferred Stock shall be redeemed from time to time. If fewer than all the shares represented by any certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without charge to the holder thereof.

(e) Effectiveness of Redemption. If notice of redemption has been duly given and if on or before the redemption date specified in the notice all funds necessary for the redemption have been deposited by the Issuer, in trust for the *pro rata* benefit of the holders of the shares called for redemption, with a bank or trust company doing business in the Borough of

Manhattan, The City of New York, and having a capital and surplus of at least \$500 million and selected by the Board of Directors, so as to be and continue to be available solely therefor, then, notwithstanding that any certificate for any share so called for redemption has not been surrendered for cancellation, on and after the redemption date dividends shall cease to accrue on all shares so called for redemption, all shares so called for redemption shall no longer be deemed outstanding and all rights with respect to such shares shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive the amount payable on such redemption from such bank or trust company, without interest. Any funds unclaimed at the end of three years from the redemption date shall, to the extent permitted by law, be released to the Issuer, after which time the holders of the shares so called for redemption shall look only to the Issuer for payment of the redemption price of such shares.

(f) Status of Redeemed Shares. Shares of Designated Preferred Stock that are redeemed, repurchased or otherwise acquired by the Issuer shall revert to authorized but unissued shares of Preferred Stock (*provided* that any such cancelled shares of Designated Preferred Stock may be reissued only as shares of any series of Preferred Stock other than Designated Preferred Stock).

Section 6. Conversion. Holders of Designated Preferred Stock shares shall have no right to exchange or convert such shares into any other securities.

Section 7. Voting Rights.

(a) General. The holders of Designated Preferred Stock shall not have any voting rights except as set forth below or as otherwise from time to time required by law.

(b) Preferred Stock Directors. Whenever, at any time or times, dividends payable on the shares of Designated Preferred Stock have not been paid for an aggregate of six quarterly Dividend Periods or more, whether or not consecutive, the authorized number of directors of the Issuer shall automatically be increased by two and the holders of the Designated Preferred Stock shall have the right, with holders of shares of any one or more other classes or series of Voting Parity Stock outstanding at the time, voting together as a class, to elect two directors (hereinafter the "Preferred Directors" and each a "Preferred Director") to fill such newly created directorships at the Issuer's next annual meeting of stockholders (or at a special meeting called for that purpose prior to such next annual meeting) and at each subsequent annual meeting of stockholders until all accrued and unpaid dividends for all past Dividend Periods, including the latest completed Dividend Period (including, if applicable as provided in Section 3(a) above, dividends on such amount), on all outstanding shares of Designated Preferred Stock have been declared and paid in full at which time such right shall terminate with respect to the Designated Preferred Stock, except as herein or by law expressly provided, subject to revesting in the event of each and every subsequent default of the character above mentioned; *provided* that it shall be a qualification for election for any Preferred Director that the election of such Preferred Director shall not cause the Issuer to violate any corporate governance requirements of any securities exchange or other trading facility on which securities of the Issuer may then be listed or traded that listed or traded companies must have a majority of independent directors. Upon any termination of the right of the holders of shares of Designated Preferred Stock and Voting Parity Stock as a class to vote for directors as provided above, the Preferred Directors shall cease to be

qualified as directors, the term of office of all Preferred Directors then in office shall terminate immediately and the authorized number of directors shall be reduced by the number of Preferred Directors elected pursuant hereto. Any Preferred Director may be removed at any time, with or without cause, and any vacancy created thereby may be filled, only by the affirmative vote of the holders a majority of the shares of Designated Preferred Stock at the time outstanding voting separately as a class together with the holders of shares of Voting Parity Stock, to the extent the voting rights of such holders described above are then exercisable. If the office of any Preferred Director becomes vacant for any reason other than removal from office as aforesaid, the remaining Preferred Director may choose a successor who shall hold office for the unexpired term in respect of which such vacancy occurred.

(c) Class Voting Rights as to Particular Matters. So long as any shares of Designated Preferred Stock are outstanding, in addition to any other vote or consent of stockholders required by law or by the Charter, the vote or consent of the holders of at least 66 2/3% of the shares of Designated Preferred Stock at the time outstanding, voting as a separate class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, shall be necessary for effecting or validating:

(i) Authorization of Senior Stock. Any amendment or alteration of the Certificate of Designations for the Designated Preferred Stock or the Charter to authorize or create or increase the authorized amount of, or any issuance of, any shares of, or any securities convertible into or exchangeable or exercisable for shares of, any class or series of capital stock of the Issuer ranking senior to Designated Preferred Stock with respect to either or both the payment of dividends and/or the distribution of assets on any liquidation, dissolution or winding up of the Issuer;

(ii) Amendment of Designated Preferred Stock. Any amendment, alteration or repeal of any provision of the Certificate of Designations for the Designated Preferred Stock or the Charter (including, unless no vote on such merger or consolidation is required by Section 7(c)(iii) below, any amendment, alteration or repeal by means of a merger, consolidation or otherwise) so as to adversely affect the rights, preferences, privileges or voting powers of the Designated Preferred Stock; or

(iii) Share Exchanges, Reclassifications, Mergers and Consolidations. Any consummation of a binding share exchange or reclassification involving the Designated Preferred Stock, or of a merger or consolidation of the Issuer with another corporation or other entity, unless in each case (x) the shares of Designated Preferred Stock remain outstanding or, in the case of any such merger or consolidation with respect to which the Issuer is not the surviving or resulting entity, are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (y) such shares remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, and limitations and restrictions thereof, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers, and limitations and restrictions thereof, of Designated Preferred Stock immediately prior to such consummation, taken as a whole;

provided, however, that for all purposes of this Section 7(c), any increase in the amount of the authorized Preferred Stock, including any increase in the authorized amount of Designated Preferred Stock necessary to satisfy preemptive or similar rights granted by the Issuer to other persons prior to the Signing Date, or the creation and issuance, or an increase in the authorized or issued amount, whether pursuant to preemptive or similar rights or otherwise, of any other series of Preferred Stock, or any securities convertible into or exchangeable or exercisable for any other series of Preferred Stock, ranking equally with and/or junior to Designated Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and the distribution of assets upon liquidation, dissolution or winding up of the Issuer will not be deemed to adversely affect the rights, preferences, privileges or voting powers, and shall not require the affirmative vote or consent of, the holders of outstanding shares of the Designated Preferred Stock.

(d) Changes after Provision for Redemption. No vote or consent of the holders of Designated Preferred Stock shall be required pursuant to Section 7(c) above if, at or prior to the time when any such vote or consent would otherwise be required pursuant to such Section, all outstanding shares of the Designated Preferred Stock shall have been redeemed, or shall have been called for redemption upon proper notice and sufficient funds shall have been deposited in trust for such redemption, in each case pursuant to Section 5 above.

(e) Procedures for Voting and Consents. The rules and procedures for calling and conducting any meeting of the holders of Designated Preferred Stock (including, without limitation, the fixing of a record date in connection therewith), the solicitation and use of proxies at such a meeting, the obtaining of written consents and any other aspect or matter with regard to such a meeting or such consents shall be governed by any rules of the Board of Directors or any duly authorized committee of the Board of Directors, in its discretion, may adopt from time to time, which rules and procedures shall conform to the requirements of the Charter, the Bylaws, and applicable law and the rules of any national securities exchange or other trading facility on which Designated Preferred Stock is listed or traded at the time.

Section 8. Record Holders. To the fullest extent permitted by applicable law, the Issuer and the transfer agent for Designated Preferred Stock may deem and treat the record holder of any share of Designated Preferred Stock as the true and lawful owner thereof for all purposes, and neither the Issuer nor such transfer agent shall be affected by any notice to the contrary.

Section 9. Notices. All notices or communications in respect of Designated Preferred Stock shall be sufficiently given if given in writing and delivered in person or by first class mail, postage prepaid, or if given in such other manner as may be permitted in this Certificate of Designations, in the Charter or Bylaws or by applicable law. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Company or any similar facility, such notices may be given to the holders of Designated Preferred Stock in any manner permitted by such facility.

Section 10. No Preemptive Rights. No share of Designated Preferred Stock shall have any rights of preemption whatsoever as to any securities of the Issuer, or any warrants, rights or options issued or granted with respect thereto, regardless of how such securities, or such warrants, rights or options, may be designated, issued or granted.

Section 11. Replacement Certificates. The Issuer shall replace any mutilated certificate at the holder's expense upon surrender of that certificate to the Issuer. The Issuer shall replace certificates that become destroyed, stolen or lost at the holder's expense upon delivery to the Issuer of reasonably satisfactory evidence that the certificate has been destroyed, stolen or lost, together with any indemnity that may be reasonably required by the Issuer.

Section 12. Other Rights. The shares of Designated Preferred Stock shall not have any rights, preferences, privileges or voting powers or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or in the Charter or as provided by applicable law.

FORM OF WAIVER

In consideration for the benefits I will receive as a result of my employer's participation in the United States Department of the Treasury's TARP Capital Purchase Program, I hereby voluntarily waive any claim against the United States or my employer for any changes to my compensation or benefits that are required to comply with the regulation issued by the Department of the Treasury as published in the Federal Register on October 20, 2008.

I acknowledge that this regulation may require modification of the compensation, bonus, incentive and other benefit plans, arrangements, policies and agreements (including so-called "golden parachute" agreements) that I have with my employer or in which I participate as they relate to the period the United States holds any equity or debt securities of my employer acquired through the TARP Capital Purchase Program.

This waiver includes all claims I may have under the laws of the United States or any state related to the requirements imposed by the aforementioned regulation, including without limitation a claim for any compensation or other payments I would otherwise receive, any challenge to the process by which this regulation was adopted and any tort or constitutional claim about the effect of these regulations on my employment relationship.

FORM OF OPINION

- (a) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the state of its incorporation.
- (b) The Preferred Shares have been duly and validly authorized, and, when issued and delivered pursuant to the Agreement, the Preferred Shares will be duly and validly issued and fully paid and non-assessable, will not be issued in violation of any preemptive rights, and will rank *pari passu* with or senior to all other series or classes of Preferred Stock issued on the Closing Date with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Company.
- (c) The Warrant has been duly authorized and, when executed and delivered as contemplated by the Agreement, will constitute a valid and legally binding obligation of the Company enforceable against the Company in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general equitable principles, regardless of whether such enforceability is considered in a proceeding at law or in equity.
- (d) The shares of Warrant Preferred Stock issuable upon exercise of the Warrant have been duly authorized and reserved for issuance upon exercise of the Warrant and when so issued in accordance with the terms of the Warrant will be validly issued, fully paid and non-assessable, and will rank *pari passu* with or senior to all other series or classes of Preferred Stock, whether or not issued or outstanding, with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Company.
- (e) The Company has the corporate power and authority to execute and deliver the Agreement and the Warrant and to carry out its obligations thereunder (which includes the issuance of the Preferred Shares, Warrant and Warrant Shares).
- (f) The execution, delivery and performance by the Company of the Agreement and the Warrant and the consummation of the transactions contemplated thereby have been duly authorized by all necessary corporate action on the part of the Company and its stockholders, and no further approval or authorization is required on the part of the Company.
- (g) The Agreement is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general equitable principles, regardless of whether such enforceability is considered in a proceeding at law or in equity; *provided, however*, such counsel need express no opinion with respect to Section 4.5(h) or the severability provisions of the Agreement insofar as Section 4.5(h) is concerned.

FORM OF WARRANT

[SEE ATTACHED]

FORM OF WARRANT TO PURCHASE PREFERRED STOCK

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS. THIS INSTRUMENT IS ISSUED SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS OF A SECURITIES PURCHASE AGREEMENT BETWEEN THE ISSUER OF THESE SECURITIES AND THE INVESTOR REFERRED TO THEREIN, A COPY OF WHICH IS ON FILE WITH THE ISSUER. THE SECURITIES REPRESENTED BY THIS INSTRUMENT MAY NOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH SAID AGREEMENT. ANY SALE OR OTHER TRANSFER NOT IN COMPLIANCE WITH SAID AGREEMENT WILL BE VOID.

**WARRANT
to purchase**

Shares of Preferred Stock

of _____

Issue Date: _____

1. **Definitions.** Unless the context otherwise requires, when used herein the following terms shall have the meanings indicated.

“*Board of Directors*” means the board of directors of the Company, including any duly authorized committee thereof.

“*business day*” means any day except Saturday, Sunday and any day on which banking institutions in the State of New York generally are authorized or required by law or other governmental actions to close.

“*Charter*” means, with respect to any Person, its certificate or articles of incorporation, articles of association, or similar organizational document.

“*Company*” means the Person whose name, corporate or other organizational form and jurisdiction of organization is set forth in Item 1 of Schedule A hereto.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

“*Exercise Price*” means the amount set forth in Item 2 of Schedule A hereto.

“*Expiration Time*” has the meaning set forth in Section 3.

“*Issue Date*” means the date set forth in Item 3 of Schedule A hereto.

“*Liquidation Amount*” means the amount set forth in Item 4 of Schedule A hereto.

“*Original Warrantholder*” means the United States Department of the Treasury. Any actions specified to be taken by the Original Warrantholder hereunder may only be taken by such Person and not by any other Warrantholder.

“*Person*” has the meaning given to it in Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act.

“*Preferred Stock*” means the series of perpetual preferred stock set forth in Item 5 of Schedule A hereto.

“*Purchase Agreement*” means the Securities Purchase Agreement – Standard Terms incorporated into the Letter Agreement, dated as of the date set forth in Item 6 of Schedule A hereto, as amended from time to time, between the Company and the United States Department of the Treasury (the “*Letter Agreement*”), including all annexes and schedules thereto.

“*Regulatory Approvals*” with respect to the Warrantholder, means, to the extent applicable and required to permit the Warrantholder to exercise this Warrant for shares of Preferred Stock and to own such Preferred Stock without the Warrantholder being in violation of applicable law, rule or regulation, the receipt of any necessary approvals and authorizations of, filings and registrations with, notifications to, or expiration or termination of any applicable waiting period under, the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder.

“*SEC*” means the U.S. Securities and Exchange Commission.

“*Securities Act*” means the Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

“*Shares*” has the meaning set forth in Section 2.

“*Warrantholder*” has the meaning set forth in Section 2.

“*Warrant*” means this Warrant, issued pursuant to the Purchase Agreement.

2. Number of Shares; Exercise Price. This certifies that, for value received, the United States Department of the Treasury or its permitted assigns (the “*Warrantholder*”) is entitled, upon the terms and subject to the conditions hereinafter set forth, to acquire from the

Company, in whole or in part, after the receipt of all applicable Regulatory Approvals, if any, up to an aggregate of the number of fully paid and nonassessable shares of Preferred Stock set forth in Item 7 of Schedule A hereto (the “Shares”), at a purchase price per share of Preferred Stock equal to the Exercise Price.

3. Exercise of Warrant; Term. Subject to Section 2, to the extent permitted by applicable laws and regulations, the right to purchase the Shares represented by this Warrant is exercisable, in whole or in part by the Warrantholder, at any time or from time to time after the execution and delivery of this Warrant by the Company on the date hereof, but in no event later than 5:00 p.m., New York City time on the tenth anniversary of the Issue Date (the “*Expiration Time*”), by (A) the surrender of this Warrant and Notice of Exercise annexed hereto, duly completed and executed on behalf of the Warrantholder, at the principal executive office of the Company located at the address set forth in Item 8 of Schedule A hereto (or such other office or agency of the Company in the United States as it may designate by notice in writing to the Warrantholder at the address of the Warrantholder appearing on the books of the Company), and (B) payment of the Exercise Price for the Shares thereby purchased, by having the Company withhold, from the shares of Preferred Stock that would otherwise be delivered to the Warrantholder upon such exercise, shares of Preferred Stock issuable upon exercise of the Warrant with an aggregate Liquidation Amount equal in value to the aggregate Exercise Price as to which this Warrant is so exercised.

If the Warrantholder does not exercise this Warrant in its entirety, the Warrantholder will be entitled to receive from the Company within a reasonable time, and in any event not exceeding three business days, a new warrant in substantially identical form for the purchase of that number of Shares equal to the difference between the number of Shares subject to this Warrant and the number of Shares as to which this Warrant is so exercised. Notwithstanding anything in this Warrant to the contrary, the Warrantholder hereby acknowledges and agrees that its exercise of this Warrant for Shares is subject to the condition that the Warrantholder will have first received any applicable Regulatory Approvals.

4. Issuance of Shares; Authorization. Certificates for Shares issued upon exercise of this Warrant will be issued in such name or names as the Warrantholder may designate and will be delivered to such named Person or Persons within a reasonable time, not to exceed three business days after the date on which this Warrant has been duly exercised in accordance with the terms of this Warrant. The Company hereby represents and warrants that any Shares issued upon the exercise of this Warrant in accordance with the provisions of Section 3 will be duly and validly authorized and issued, fully paid and nonassessable and free from all taxes, liens and charges (other than liens or charges created by the Warrantholder, income and franchise taxes incurred in connection with the exercise of the Warrant or taxes in respect of any transfer occurring contemporaneously therewith). The Company agrees that the Shares so issued will be deemed to have been issued to the Warrantholder as of the close of business on the date on which this Warrant and payment of the Exercise Price are delivered to the Company in accordance with the terms of this Warrant, notwithstanding that the stock transfer books of the Company may then be closed or certificates representing such Shares may not be actually delivered on such date. The Company will at all times reserve and keep available, out of its authorized but unissued preferred stock, solely for the purpose of providing for the exercise of this Warrant, the aggregate number of shares of Preferred Stock then issuable upon exercise of this Warrant at any

time. The Company will use reasonable best efforts to ensure that the Shares may be issued without violation of any applicable law or regulation or of any requirement of any securities exchange on which the Shares are listed or traded.

5. No Rights as Stockholders; Transfer Books. This Warrant does not entitle the Warrantholder to any voting rights or other rights as a stockholder of the Company prior to the date of exercise hereof. The Company will at no time close its transfer books against transfer of this Warrant in any manner which interferes with the timely exercise of this Warrant.

6. Charges, Taxes and Expenses. Issuance of certificates for Shares to the Warrantholder upon the exercise of this Warrant shall be made without charge to the Warrantholder for any issue or transfer tax or other incidental expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company.

7. Transfer/Assignment.

(A) Subject to compliance with clause (B) of this Section 7, this Warrant and all rights hereunder are transferable, in whole or in part, upon the books of the Company by the registered holder hereof in person or by duly authorized attorney, and a new warrant shall be made and delivered by the Company, of the same tenor and date as this Warrant but registered in the name of one or more transferees, upon surrender of this Warrant, duly endorsed, to the office or agency of the Company described in Section 3. All expenses (other than stock transfer taxes) and other charges payable in connection with the preparation, execution and delivery of the new warrants pursuant to this Section 7 shall be paid by the Company.

(B) The transfer of the Warrant and the Shares issued upon exercise of the Warrant are subject to the restrictions set forth in Section 4.4 of the Purchase Agreement. If and for so long as required by the Purchase Agreement, this Warrant shall contain the legends as set forth in Section 4.2(a) of the Purchase Agreement.

8. Exchange and Registry of Warrant. This Warrant is exchangeable, upon the surrender hereof by the Warrantholder to the Company, for a new warrant or warrants of like tenor and representing the right to purchase the same aggregate number of Shares. The Company shall maintain a registry showing the name and address of the Warrantholder as the registered holder of this Warrant. This Warrant may be surrendered for exchange or exercise in accordance with its terms, at the office of the Company, and the Company shall be entitled to rely in all respects, prior to written notice to the contrary, upon such registry.

9. Loss, Theft, Destruction or Mutilation of Warrant. Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant, and in the case of any such loss, theft or destruction, upon receipt of a bond, indemnity or security reasonably satisfactory to the Company, or, in the case of any such mutilation, upon surrender and cancellation of this Warrant, the Company shall make and deliver, in lieu of such lost, stolen, destroyed or mutilated Warrant, a new Warrant of like tenor and representing the right to purchase the same aggregate number of Shares as provided for in such lost, stolen, destroyed or mutilated Warrant.

10. Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a business day, then such action may be taken or such right may be exercised on the next succeeding day that is a business day.

11. Rule 144 Information. The Company covenants that it will use its reasonable best efforts to timely file all reports and other documents required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations promulgated by the SEC thereunder (or, if the Company is not required to file such reports, it will, upon the request of any Warrantholder, make publicly available such information as necessary to permit sales pursuant to Rule 144 under the Securities Act), and it will use reasonable best efforts to take such further action as any Warrantholder may reasonably request, in each case to the extent required from time to time to enable such holder to, if permitted by the terms of this Warrant and the Purchase Agreement, sell this Warrant without registration under the Securities Act within the limitation of the exemptions provided by (A) Rule 144 under the Securities Act, as such rule may be amended from time to time, or (B) any successor rule or regulation hereafter adopted by the SEC. Upon the written request of any Warrantholder, the Company will deliver to such Warrantholder a written statement that it has complied with such requirements.

12. Adjustments and Other Rights. For so long as the Original Warrantholder holds this Warrant or any portion thereof, if any event occurs that, in the good faith judgment of the Board of Directors of the Company, would require adjustment of the Exercise Price or number of Shares into which this Warrant is exercisable in order to fairly and adequately protect the purchase rights of the Warrants in accordance with the essential intent and principles of the Purchase Agreement and this Warrant, then the Board of Directors shall make such adjustments in the application of such provisions, in accordance with such essential intent and principles, as shall be reasonably necessary, in the good faith opinion of the Board of Directors, to protect such purchase rights as aforesaid.

Whenever the Exercise Price or the number of Shares into which this Warrant is exercisable shall be adjusted as provided in this Section 12, the Company shall forthwith file at the principal office of the Company a statement showing in reasonable detail the facts requiring such adjustment and the Exercise Price that shall be in effect and the number of Shares into which this Warrant shall be exercisable after such adjustment, and the Company shall also cause a copy of such statement to be sent by mail, first class postage prepaid, to each Warrantholder at the address appearing in the Company's records.

13. No Impairment. The Company will not, by amendment of its Charter or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Warrant and in taking of all such action as may be necessary or appropriate in order to protect the rights of the Warrantholder.

14. Governing Law. This Warrant will be governed by and construed in accordance with the federal law of the United States if and to the extent such law is applicable, and otherwise in accordance with the laws of the State of New York applicable to contracts made and

to be performed entirely within such State. Each of the Company and the Warrantholder agrees (a) to submit to the exclusive jurisdiction and venue of the United States District Court for the District of Columbia for any civil action, suit or proceeding arising out of or relating to this Warrant or the transactions contemplated hereby, and (b) that notice may be served upon the Company at the address in Section 17 below and upon the Warrantholder at the address for the Warrantholder set forth in the registry maintained by the Company pursuant to Section 8 hereof. To the extent permitted by applicable law, each of the Company and the Warrantholder hereby unconditionally waives trial by jury in any civil legal action or proceeding relating to the Warrant or the transactions contemplated hereby or thereby.

15. Binding Effect. This Warrant shall be binding upon any successors or assigns of the Company.

16. Amendments. This Warrant may be amended and the observance of any term of this Warrant may be waived only with the written consent of the Company and the Warrantholder.

17. Notices. Any notice, request, instruction or other document to be given hereunder by any party to the other will be in writing and will be deemed to have been duly given (a) on the date of delivery if delivered personally, or by facsimile, upon confirmation of receipt, or (b) on the second business day following the date of dispatch if delivered by a recognized next day courier service. All notices hereunder shall be delivered as set forth in Item 9 of Schedule A hereto, or pursuant to such other instructions as may be designated in writing by the party to receive such notice.

18. Entire Agreement. This Warrant, the forms attached hereto and Schedule A hereto (the terms of which are incorporated by reference herein), and the Letter Agreement (including all documents incorporated therein), contain the entire agreement between the parties with respect to the subject matter hereof and supersede all prior and contemporaneous arrangements or undertakings with respect thereto.

[Remainder of page intentionally left blank]

[Form of Notice of Exercise]

Date: _____

TO: **[Company]**

RE: Election to Purchase Preferred Stock

The undersigned, pursuant to the provisions set forth in the attached Warrant, hereby agrees to subscribe for and purchase such number of shares of Preferred Stock covered by the Warrant such that after giving effect to an exercise pursuant to Section 3(B) of the Warrant, the undersigned will receive the net number of shares of Preferred Stock set forth below. The undersigned, in accordance with Section 3 of the Warrant, hereby agrees to pay the aggregate Exercise Price for such shares of Preferred Stock in the manner set forth in Section 3(B) of the Warrant.

Number of Shares of Preferred Stock:¹ _____

The undersigned agrees that it is exercising the attached Warrant in full and that, upon receipt by the undersigned of the number of shares of Preferred Stock set forth above, such Warrant shall be deemed to be cancelled and surrendered to the Company.

Holder: _____
By: _____
Name: _____
Title: _____

1. Number of shares to be received by the undersigned upon exercise of the attached Warrant pursuant to Section 3(B) thereof.

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by a duly authorized officer.

Dated: _____

COMPANY: _____

By: _____
Name:
Title:

Attest:

By: _____
Name:
Title:

[Signature Page to Warrant]

SCHEDULE A

Item 1

Name:

Corporate or other organizational form:

Jurisdiction of organization:

Item 2

Exercise Price:²

Item 3

Issue Date:

Item 4

Liquidation Amount:

Item 5

Series of Perpetual Preferred Stock:

Item 6

Date of Letter Agreement between the Company and the United States Department of the Treasury:

Item 7

Number of shares of Preferred Stock:³

Item 8

Company's address:

Item 9

Notice information:

² \$0.01 per share or such greater amount as the Charter may require as the par value of the Preferred Stock.

³ The initial number of shares of Preferred Stock for which this Warrant is exercisable shall include the number of shares required to effect the cashless exercise pursuant to Section 3(B) of this Warrant (e.g., such number of shares of Preferred Stock having an aggregate Liquidation Amount equal in value to the aggregate Exercise Price) such that, following exercise of this Warrant and payment of the Exercise Price in accordance with such Section 3(B), the net number of shares of Preferred Stock delivered to the Warranholder (and rounded to the nearest whole share) would have an aggregate Liquidation Amount equal to 5% of the aggregate amount invested by the United States Department of the Treasury on the investment date.

ADDITIONAL TERMS AND CONDITIONS

Company Information:

Name of the Company: Clover Community Bankshares, Inc.

Corporate or other organizational form: Corporation

Jurisdiction of Organization: South Carolina

Appropriate Federal Banking Agency: The Board of Governors of the Federal Reserve System (Richmond Branch)

Notice Information: Clover Community Bankshares, Inc.
124 N. Main Street
Clover, South Carolina 29710

With a copy to: Nelson Mullins Riley & Scarborough LLP
Attn: Benjamin A. Barnhill, Esq.
Suite 900, Poinsett Plaza
104 S. Main Street
Greenville, South Carolina 29601

Terms of the Purchase:

Series of Preferred Stock Purchased: Fixed Rate Cumulative Perpetual Preferred Stock, Series TS

Per Share Liquidation Preference of Preferred Stock: \$1,000

Number of Shares of Preferred Stock Purchased: 3,000

Dividend Payment Dates on the Preferred Stock: February 15, May 15, August 15 and November 15 of each year

Series of Warrant Preferred Stock: Fixed Rate Cumulative Perpetual Preferred Stock, Series TW

Number of Warrant Shares: 150

Number of Net Warrant Shares (after net settlement): 150.0015

Exercise Price of the Warrant: \$0.01 per share

Purchase Price: \$3,000,000

Closing:

Location of Closing: Squire, Sanders & Dempsey L.L.P.
221 E. Fourth St., Suite 2900
Cincinnati, OH 45202-4095

Time of Closing: 9:00 A.M. EST

Date of Closing: March 27, 2009

Wire Information for Closing:

ABA Number: [REDACTED]
BANK: [REDACTED]
Account Name: [REDACTED]
Account Number: [REDACTED]
Beneficiary Bank: [REDACTED]
[REDACTED]
Further Credit To: Account [REDACTED]

Attention:
Gwen M. Thompson, Chief Executive Officer
(803) [REDACTED] (business)
(803) 222-5762 (fax)
gthompson@clovercommunitybank.com

CAPITALIZATION

Capitalization Date: February 28, 2009

Common Stock

Par value: \$0.01

Total Authorized: 10,000,000

Outstanding: 863,776

Subject to warrants, options, convertible securities, etc.: None

Reserved for benefit plans and other issuances: None

Remaining authorized but unissued: 9,136,224

Shares issued after Capitalization Date (other than pursuant to warrants, options, convertible securities, etc. as set forth above): None

Preferred Stock

Par value: No par

Total Authorized: 5,000,000 (blank check) plus 10,000,000 Series A

Outstanding (by series): Series A – 113,125

Reserved for issuance: 0

Remaining authorized but unissued: 5,000,000 (blank check) plus 9,886,875 authorized but unissued Series A

Holder of 5% or more of any class of capital stock

[REDACTED]

[REDACTED]

Primary Address

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

LITIGATION

List any exceptions to the representation and warranty in Section 2.2(l) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box:

COMPLIANCE WITH LAWS

List any exceptions to the representation and warranty in the second sentence of Section 2.2(m) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box:

List any exceptions to the representation and warranty in the last sentence of Section 2.2(m) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box:

REGULATORY AGREEMENTS

List any exceptions to the representation and warranty in Section 2.2(s) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box:

DISCLOSURE SCHEDULES TO THE SECURITIES PURCHASE AGREEMENT BY AND
BETWEEN THE UNITED STATES DEPARTMENT OF TREASURY AND CLOVER
COMMUNITY BANKSHARES, INC. DATED AS OF MARCH 27, 2009

SCHEDULE F

COMPANY FINANCIAL STATEMENTS

The December 31, 2008 financial statements are not yet completed and will be provided to the Investor promptly when available. The remaining Company Financial Statements that were Previously Disclosed pursuant to Section 2.2(h) of the Securities Purchase Agreement – Standard Terms are attached hereto.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Clover Community Bankshares, Inc. and Subsidiary
Clover, South Carolina

We have audited the accompanying consolidated balance sheets of *Clover Community Bankshares, Inc. and Subsidiary* (the "Company") as of December 31, 2005 and 2004, and the related consolidated statements of income, changes in shareholders' equity and comprehensive income, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of *Clover Community Bankshares, Inc. and Subsidiary* as of December 31, 2005 and 2004 and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Greenville, South Carolina
March 29, 2006

**CLOVER COMMUNITY BANKSHARES, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS**

	December 31,	
	2005	2004
ASSETS		
Cash and cash equivalents:		
Cash and due from banks	\$ 2,156,807	\$ 1,383,919
Interest-earning deposits in other banks	7,620	20,763
Federal funds sold	17,529,000	6,750,000
Total cash and cash equivalents	19,693,427	8,154,682
Investment securities:		
Securities available for sale	19,232,005	14,201,616
Nonmarketable equity securities	400,076	371,900
Total investment securities	19,632,081	14,573,516
Loans receivable	59,770,861	55,816,104
Less allowance for loan losses	(801,900)	(624,965)
Loans, net	58,968,961	55,191,139
Premises, furniture and equipment, net	2,083,008	2,193,674
Accrued interest receivable	429,536	341,435
Other assets	534,380	435,200
Total assets	\$ 101,341,393	\$ 80,889,646
LIABILITIES		
Deposits:		
Noninterest-bearing	\$ 10,566,585	\$ 8,845,397
Interest-bearing	79,652,854	59,127,972
Total deposits	90,219,439	67,973,369
Advances from Federal Home Loan Bank	2,000,000	4,000,000
Accrued interest payable	545,034	256,210
Other liabilities	75,161	53,442
Total liabilities	92,839,634	72,283,021
SHAREHOLDERS' EQUITY		
Common stock, par value \$.01 per share, 10,000,000 shares authorized and outstanding – 1,009,355 and 1,011,056 shares for 2005 and 2004, respectively	10,094	10,111
Capital surplus	3,371,568	3,385,909
Retained earnings	5,268,658	5,124,541
Accumulated other comprehensive income (loss)	(148,561)	86,064
Total shareholders' equity	8,501,759	8,606,625
Total liabilities and shareholders' equity	\$ 101,341,393	\$ 80,889,646

The accompanying notes are an integral part of these consolidated financial statements.

**CLOVER COMMUNITY BANKSHARES, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME**

	For the years ended December 31,	
	2005	2004
Interest income:		
Loans, including fees	\$ 4,577,263	\$ 3,614,956
Investment securities:		
Taxable	377,588	346,086
Tax-exempt	218,247	209,721
Nonmarketable equity securities	13,944	8,717
Federal funds sold	337,558	61,911
Total interest income	5,524,600	4,241,391
Interest expense:		
Time deposits \$100,000 and over	365,289	215,931
Other deposits	926,926	530,260
Federal funds purchased	-	95
Advances from Federal Home Loan Bank	111,105	29,441
Total interest expense	1,403,320	775,727
Net interest income	4,121,280	3,465,664
Provision for loan losses	200,000	206,000
Net interest income after provision for loan losses	3,921,280	3,259,664
Noninterest income:		
Service charges on deposit accounts	836,096	908,551
Credit life insurance commissions	6,372	7,755
Gain on sale of securities available for sale	-	740
Other	70,288	64,123
Total noninterest income	912,756	981,169
Noninterest expense:		
Salaries and employee benefits	1,717,399	1,503,745
Net occupancy	163,952	146,128
Furniture and equipment	322,111	314,432
Printing, postage and stationery	136,737	133,710
Professional services	202,716	99,037
Data processing	98,272	99,058
ATM/Debit card	126,209	82,843
Directors fees	63,000	42,500
Other operating	341,328	323,417
Total noninterest expense	3,171,724	2,744,870
Income before income taxes	1,662,312	1,495,963
Income tax expense	508,000	455,000
Net income	\$ 1,154,312	\$ 1,040,963
Earnings per share - basic		
Weighted average number of common shares outstanding	1,010,356	1,012,216
Earnings per share	\$ 1.14	\$ 1.03

The accompanying notes are an integral part of these consolidated financial statements.

CLOVER COMMUNITY BANKSHARES, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
AND COMPREHENSIVE INCOME
For the years ended December 31, 2005 and 2004

	Common stock		Capital surplus	Retained earnings	Accumulated other comprehensive income (loss)	Total
	Shares	Amount				
Balance, December 31, 2003	1,012,779	\$ 10,128	\$3,417,261	\$ 4,488,686	\$ 122,408	\$ 8,038,483
Net income	-	-	-	1,040,963	-	1,040,963
Other comprehensive loss:						
Net unrealized holding losses on securities available for sale, net of income tax benefit of \$20,355	-	-	-	-	(36,344)	(36,344)
Comprehensive income						1,004,619
Cash dividends declared - \$0.40 per share	-	-	-	(405,108)	-	(405,108)
Sale of common stock under dividend reinvestment plan	1,561	16	45,889	-	-	45,905
Repurchase and retirement of common stock	(3,284)	(33)	(77,241)	-	-	(77,274)
Balance, December 31, 2004	1,011,056	10,111	3,385,909	5,124,541	86,064	8,606,625
Net income	-	-	-	1,154,312	-	1,154,312
Other comprehensive loss:						
Net unrealized holding losses on securities available for sale, net of income tax benefit of \$86,064	-	-	-	-	(234,625)	(234,625)
Comprehensive income						919,687
Cash dividends declared - \$1.00 per share	-	-	-	(1,010,195)	-	(1,010,195)
Sale of common stock under dividend reinvestment plan	1,754	18	56,501	-	-	56,519
Repurchase and retirement of common stock	(3,455)	(35)	(70,842)	-	-	(70,877)
Balance, December 31, 2005	<u>1,009,355</u>	<u>\$ 10,094</u>	<u>\$3,371,568</u>	<u>\$5,268,658</u>	<u>\$ (148,561)</u>	<u>\$ 8,501,758</u>

The accompanying notes are an integral part of these consolidated financial statements.

CLOVER COMMUNITY BANKSHARES, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the years ended December 31,	
	2005	2004
Cash flows from operating activities:		
Net income	\$ 1,154,312	\$ 1,040,963
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	200,000	206,000
Depreciation	182,683	213,029
Increase in deferred loan fees and costs	6,696	6,629
Discount accretion and premium amortization	44,836	25,599
Deferred income tax expense (benefit)	(173,207)	13,257
Gain on sale of securities available for sale	-	(740)
Increase in accrued interest receivable	(88,101)	(19,492)
Increase in accrued interest payable	288,824	54,137
Decrease (increase) in other assets	205,432	(57,426)
Decrease in other liabilities	21,719	30,909
Net cash provided by operating activities	<u>1,843,194</u>	<u>1,512,865</u>
Cash flows from investing activities:		
Purchases of securities available for sale	(8,006,103)	(2,006,536)
Maturities of securities available for sale	2,564,848	4,683,521
Proceeds from sales of securities available for sale	-	1,438,326
Purchase of nonmarketable equity securities	(28,176)	(121,900)
Net increase in loans made to customers	(3,984,518)	(12,065,232)
Purchase of premises, furniture and equipment	(72,017)	(98,910)
Net cash used for investing activities	<u>(9,525,966)</u>	<u>(8,170,731)</u>
Cash flows from financing activities:		
Net increase in demand deposits, interest-bearing transaction accounts and savings accounts	17,891,041	2,661,071
Net increase in certificates of deposit and other time deposits	4,355,029	2,640,130
Borrowings (repayments) of advances from Federal Home Loan Bank	(2,000,000)	4,000,000
Cash dividends paid	(1,010,195)	(405,108)
Sales of common stock under dividend reinvestment plan	56,519	45,905
Repurchase and retirement of common stock	(70,877)	(77,274)
Net cash provided by financing activities	<u>19,221,517</u>	<u>8,864,724</u>
Net increase in cash and cash equivalents	<u>11,538,745</u>	<u>2,206,858</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>8,154,682</u>	<u>5,947,824</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 19,693,427</u>	<u>\$ 8,154,682</u>

The accompanying notes are an integral part of these consolidated financial statements.

**CLOVER COMMUNITY BANKSHARES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Clover Community Bankshares, Inc. (the "Company"), a bank holding company, and its wholly-owned subsidiary, Clover Community Bank (the "Bank"), are engaged in providing domestic commercial banking services from their headquarters office in Clover, South Carolina and from a branch office in Lake Wylie, South Carolina. The Company is a South Carolina corporation and the Bank is a state chartered commercial bank with its deposits insured by the Federal Deposit Insurance Corporation (the "FDIC"). Therefore, the Company and its bank subsidiary operate under the supervision, rules and regulations of the Federal Reserve Board, FDIC and South Carolina State Board of Financial Institutions. The Company was incorporated on March 4, 1998 and the Bank was organized in 1986 and first commenced commercial operations on October 1, 1987.

Clover Community Bank is a community-oriented institution offering a full range of traditional banking services, with the exception of trust services. Substantially all of its loans are made to individuals and businesses within the Clover and Lake Wylie areas of York County, South Carolina. The Bank has a diversified loan portfolio and borrowers' abilities to repay are not dependent upon any specific economic sector. Also, substantially all of its deposits are acquired within its local market area and no brokered deposits are accepted.

Principles of Consolidation and Basis of Presentation - The consolidated financial statements include the accounts of the Company and the Bank after elimination of all significant intercompany balances and transactions.

Use of Estimates - In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as well as amounts of income and expenses during the reporting period. Actual results could differ significantly from those estimates.

Investment Securities - Equity securities that have readily determinable fair values and all debt securities are classified generally at the time of purchase into one of three categories: held to maturity, trading or available for sale. Debt securities which the Company has the positive intent and ability to hold to ultimate maturity are classified as held to maturity and accounted for at amortized cost. Debt and equity securities that are bought and held primarily for sale in the near term are classified as trading and are accounted for on an estimated fair value basis, with unrealized gains and losses included in other income. However, the Company has never held any securities for trading purposes. Securities not classified as either held to maturity or trading are classified as available for sale and are accounted for at estimated fair value. Unrealized holding gains and losses on available for sale securities are excluded from earnings and recorded as other comprehensive income (loss), net of applicable income tax effects. Dividend and interest income, including amortization of any premium or accretion of discount arising at acquisition, is included in earnings for all three categories of securities. Realized gains and losses on all categories of securities are included in other operating income, based on the amortized cost of the specific security on a trade date basis.

Nonmarketable Equity Securities - Nonmarketable equity securities consist of restricted securities, which are carried at cost. Management periodically evaluates these securities for impairment, with any appropriate downward valuation adjustments being made when necessary.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Loans Receivable and Interest Income - Loans are carried at principal amounts outstanding, increased or reduced by deferred net loan costs or fees. Interest income on loans is recognized using the interest method based upon the principal amounts outstanding. Loan origination and commitment fees and certain direct loan origination costs (principally salaries and employee benefits) are deferred and amortized as an adjustment of the related loan's yield. Generally, these amounts are amortized over the contractual life of the related loans or commitments. A loan is considered to be impaired when, in management's judgment based on current information and events, it is probable that the obligation's principal or interest will not be collectible in accordance with the terms of the original loan agreement. Impaired loans, when not material, are carried in the balance sheet at a value not to exceed their observable market price or the fair value of the collateral if the repayment of the loan is expected to be provided solely by the underlying collateral. The carrying value of any material impaired loan is measured based on the present value of expected future cash flows discounted at the loan's effective interest rate, which is the contractual interest rate adjusted for any deferred loan fees or costs, premium or discount existing at the inception or acquisition of the loan. Generally, the accrual of interest is discontinued on impaired loans and any previously accrued interest on such loans is reversed against current income. Any subsequent interest income is recognized on a cash basis when received unless collectibility of a significant amount of principal is in serious doubt. In such cases, collections are credited first to the remaining principal balance on a cost recovery basis. An impaired loan is not returned to accrual status unless principal and interest are current and the borrower has demonstrated the ability to continue making payments as agreed.

Allowance for Loan Losses - An allowance for possible loan losses is maintained at a level deemed appropriate by management to adequately provide for known and estimated losses inherent in the loan portfolio. When management determines that a loan will not perform substantially as agreed, a review of the loan is initiated to ascertain whether it is more likely than not that a loss has occurred. If it is determined that a loan is uncollectible, the estimated amount of the loss is charged off and deducted from the allowance. The provision for possible loan losses and recoveries on loans previously charged off are added to the allowance. Determining the amount and adequacy of the allowance for loan losses involves estimating uncertain future events and their effects based on judgment applied to currently known facts and circumstances. Changes in the estimated allowance for loan losses necessitated as new events occur or more information is obtained are accounted for as changes in accounting estimates in the accounting period in which the change occurs.

Management considers the Company's historical loan loss experience, current national and local economic conditions affecting the borrowers' ability to repay, the volume of loans, the trends in delinquent, impaired and potential problem loans, and the amount and quality of collateral securing such loans in reviewing the adequacy of the allowance for loan losses. In calculating its estimate, management applies a consistent methodology that is updated quarterly. The calculation involves applying various estimated percentage factors to the loan portfolio categorized by purpose and type of underlying collateral and utilizing assessed risk grades from the Company's ongoing system of detailed loan reviews. For some loans, particularly those identified as impaired or a potential problem, specific allocations are made in the calculation.

Premises, Furniture and Equipment - Premises, furniture and equipment are stated at cost, less accumulated depreciation. The provision for depreciation is computed predominantly using the straight-line method. Rates of depreciation are generally based on the following estimated useful lives: building - 31.5 years; furniture and equipment - 5 to 7 years. The cost of assets sold or otherwise disposed of, and the related allowance for depreciation is eliminated from the accounts and the resulting gains or losses are reflected in the consolidated statements of income. Maintenance and repairs are charged to current expense as incurred and the costs of major renewals and improvements are capitalized.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Recently Issued Accounting Standards

The following is a summary of recent authoritative pronouncements that affect accounting, reporting, and disclosure of financial information by the Company:

In May 2005, the FASB issued SFAS No. 154, "Accounting Changes and Error Corrections – a replacement of APB Opinion No. 20 and FASB Statement No. 3". SFAS No. 154 establishes retrospective application as the required method for reporting a change in accounting principle, unless it is impracticable, in which case the changes should be applied to the latest practicable date presented. SFAS No. 154 also requires that a correction of an error be reported as a prior period adjustment by restating prior period financial statements. SFAS No. 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005.

In March 2004, the FASB issued Emerging Issues Task Force ("EITF") Issue No. 03-1, "The Meaning of Other-Than-Temporary Impairment and its Application to Certain Investments." This issue addresses the meaning of other-than-temporary impairment and its application to investments classified as either available for sale or held to maturity under SFAS No. 115 and it also provides guidance on quantitative and qualitative disclosures. The disclosure requirements in paragraph 21 of this Issue were effective for annual financial statements for fiscal years ending after December 15, 2003 and were adopted by the Company effective December 31, 2003.

The recognition and measurement guidance in paragraphs 6-20 of this Issue was to be applied to other-than-temporary impairment evaluations in reporting periods beginning after June 15, 2004, but was delayed by FASB action in October 2004 through the issuance of a proposed FASB Staff Position ("FSP") on the issue. In July 2005, the FASB issued FSP FAS 115-1 and FSP FAS 124-1—"The Meaning of Other-Than-Temporary Impairment and its Application to Certain Investments." This FSP addresses the determination as to when an investment is considered impaired, whether that impairment is other than temporary, and the measurement of an impairment loss. This FSP also includes accounting considerations subsequent to the recognition of an other-than-temporary impairment and requires certain disclosures about unrealized losses that have not been recognized as other-than-temporary impairments. This FSP will be effective for other-than-temporary impairment analysis conducted in periods beginning after December 15, 2005. The Company has evaluated the impact that the adoption of FSP FAS 115-1 and FSP FAS 124-1 and has concluded that the adoption will not have a material impact on financial position and results of operations upon adoption.

In December 2005, the FASB issued FSP SOP 94-6-1, "Terms of Loan Products that May Give Rise to a Concentration of Credit Risk." The disclosure guidance in this FSP is effective for interim and annual periods ending after December 19, 2005. The FSP states that the terms of certain loan products may increase a reporting entity's exposure to credit risk and thereby may result in a concentration of credit risk as that term is used in SFAS No. 107, either as an individual product type or as a group of products with similar features. SFAS No. 107 requires disclosures about each significant concentration, including "information about the (shared) activity, region, or economic characteristic that identifies the concentration." The FSP suggests possible shared characteristics on which significant concentrations may be determined which include, but are not limited to:

- a. Borrowers subject to significant payment increases
- b. Loans with terms that permit negative amortization
- c. Loans with high loan-to-value ratios.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

This FSP requires entities to provide the disclosures required by SFAS No. 107 for loan products that are determined to represent a concentration of credit risk in accordance with the guidance of this FSP for all periods presented. The Company adopted this disclosure standard effective December 31, 2005.

Other accounting standards that have been issued or proposed by the FASB or other standards-setting bodies that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption.

Risks and Uncertainties - In the normal course of its business the Company encounters two significant types of risks: economic and regulatory. There are three main components of economic risk: interest rate risk, credit risk, and market risk. The Company is subject to interest rate risk to the degree that its interest-bearing liabilities mature or reprice at different times, or on different bases, than its interest-earning assets. Credit risk is the risk of default on the Company's loan and investments securities portfolios that results from a borrower's inability or unwillingness to make contractually required payments. Market risk reflects changes in the value of collateral underlying loans receivable and the valuation of real estate held by the Company.

The Company is subject to the regulations of various governmental agencies. These regulations can and do change significantly from period to period. The Company also undergoes periodic examinations by the regulatory agencies, which may subject it to further changes with respect to asset valuations, amounts of required loss allowances and operating restrictions from the regulators' judgments based on information available to them at the time of their examination.

Concentrations of Credit Risk - Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of loans receivable, investment securities, federal funds sold and amounts due from banks.

The Company makes loans to individuals and small businesses for various personal and commercial purposes primarily in the upstate region of South Carolina. The Company's loan portfolio is not concentrated in loans to any single borrower or a relatively small number of borrowers. Additionally, Management is not aware of any concentrations of loans to classes of borrowers or industries that would be similarly affected by economic conditions.

In addition to monitoring potential concentrations of loans to particular borrowers or groups of borrowers, industries and geographic regions, Management monitors exposure to credit risk from concentrations of lending products and practices such as loans that subject borrowers to substantial payment increases (e.g. principal deferral periods, loans with initial interest-only periods, etc), and loans with high loan-to-value ratios. Management has determined that there is no concentration of credit risk associated with its lending policies or practices. Additionally, there are industry practices that could subject the Company to increased credit risk should economic conditions change over the course of a loan's life. For example, the Company makes variable rate loans and fixed rate principal-amortizing loans with maturities prior to the loan being fully paid (i.e. balloon payment loans). These loans are underwritten and monitored to manage the associated risks. Therefore, management believes that these particular practices do not subject the Company to unusual credit risk.

NOTE 5 - LOANS RECEIVABLE AND ALLOWANCE FOR LOAN LOSSES

Major classifications of loans receivable at December 31, 2005 and 2004 are summarized as follows:

	<u>2005</u>	<u>2004</u>
Commercial and industrial	\$ 8,172,722	\$ 7,631,971
Real estate – construction	8,465,946	7,905,794
Real estate – mortgage	34,507,052	32,223,883
Consumer and other	8,625,141	8,054,456
Total	59,770,861	55,816,104
Less allowance for possible loan losses	(801,900)	(624,965)
Loans, net	<u>\$ 58,968,961</u>	<u>\$ 55,191,139</u>

Nonperforming loans include nonaccrual loans or loans which are 90 days or more delinquent as to principal or interest payments. Nonperforming loans amounted to \$0 and \$226,200 at December 31, 2005 and 2004, respectively. The Company had no impaired loans at December 31, 2005 or 2004.

Transactions in the allowance for loan losses for the years ended December 31, 2005 and 2004 are summarized below:

	<u>2005</u>	<u>2004</u>
Balance, beginning of year	\$ 624,965	\$ 449,541
Provision charged to operations	200,000	206,000
Recoveries on loans previously charged-off	7,532	5,334
Loans charged-off	(30,597)	(35,910)
Balance, end of year	<u>\$ 801,900</u>	<u>\$ 624,965</u>

Certain officers and directors of the Company and its subsidiary, their immediate families and business interests were loan customers of, and had other transactions with the Bank in the normal course of business. Related party loans are made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than normal risk of collectibility. The aggregate dollar amount of these loans was \$2,177,233 and \$1,046,446 at December 31, 2005 and 2004, respectively. During 2005, new loans were \$1,872,895 and repayments totaled \$742,108.

NOTE 6 - PREMISES, FURNITURE AND EQUIPMENT

Premises, furniture and equipment consisted of the following at December 31, 2005 and 2004:

	<u>2005</u>	<u>2004</u>
Land	\$ 979,273	\$ 979,273
Buildings and land improvements	1,176,526	1,168,185
Furniture and equipment	1,710,698	1,647,022
Total	3,866,497	3,794,480
Less, accumulated depreciation	(1,783,489)	(1,600,806)
Premises, furniture and equipment, net	<u>\$ 2,083,008</u>	<u>\$ 2,193,674</u>

Depreciation expense for the years ended December 31, 2005 and 2004 was \$182,683 and \$213,029, respectively.

NOTE 7 - DEPOSITS

A summary of deposits at December 31, 2005 and 2004 follows:

	<u>2005</u>	<u>2004</u>
Non-interest bearing demand	\$ 10,566,585	\$ 8,845,397
Interest bearing transaction accounts	42,429,167	26,859,142
Savings	4,813,413	4,213,585
Time, \$100,000 and over	13,888,518	11,400,416
Other time deposits	18,521,756	16,654,829
Total deposits	<u>\$ 90,219,439</u>	<u>\$ 67,973,369</u>

At December 31, 2005 the scheduled maturities of certificates of deposit are as follows:

2006	\$ 23,038,292
2007	8,771,975
2008	357,034
2009	28,612
2010	214,361
Total	<u>\$ 32,410,274</u>

NOTE 8 - ADVANCES FROM FEDERAL HOME LOAN BANK

At December 31, 2005, the Company had advances from the FHLB as follows:

<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Terms</u>
<u>\$ 2,000,000</u>	3.28%	09/14/2007	Fixed rate

At December 31, 2004, the Company had advances from the FHLB as follows:

<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Terms</u>
\$ 2,000,000	2.48%	09/14/2006	Variable rate
2,000,000	3.28	09/14/2007	Fixed rate
<u>\$ 4,000,000</u>			

Collateral pledged for these advances are 1- 4 family residential mortgages.

The Company also has a credit availability agreement with the FHLB totaling 40 percent of the Bank's assets as of any quarter end. As of December 31, 2005, the available credit totaled approximately \$38,000,000.

NOTE 9 – SHAREHOLDERS' EQUITY

Restrictions on Subsidiary Dividends, Loans or Advances – South Carolina banking regulations restrict the amount of dividends that banks can pay to shareholders. Any of the Bank's dividends to the Company in an amount exceeding the amount of the current year's earnings are subject to the prior approval of the South Carolina Commissioner of Banking. In addition, dividends paid by the Bank to the Company would be prohibited if the effect thereof would cause the Bank's capital to be reduced below applicable minimum capital requirements. Under Federal Reserve Board regulations, the amounts of loans or advances from the banking subsidiary to the parent company are also restricted.

Accumulated Other Comprehensive Income – As of December 31, 2005 and 2004, accumulated other comprehensive income included in shareholders' equity in the accompanying consolidated balance sheets consisted of the accumulated changes in the unrealized holding gains and losses on available for sale securities, net of income tax effects.

Dividend Reinvestment Plan – As of February 4, 1999, the Company registered and reserved 50,000 shares of its authorized but unissued common stock for sale through its Dividend Reinvestment Plan (the "Plan"). Under the Plan, which is available only to residents of South Carolina, shareholders may purchase additional shares by foregoing the payment in cash of cash dividends declared by the Company and instead accepting additional shares of common stock. Such shares of additional stock are issued at a price determined in accordance with the Plan's pricing formula. There are no provisions for other periodic stock purchases under the Plan. Shares issued under the Plan are newly issued shares. As of December 31, 2005, a total of 1,754 shares had been issued since plan inception, with none of the reserved shares available for future issuance. The Plan was terminated on December 31, 2005.

Regulatory Capital – All bank holding companies and banks are subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary, actions by regulators that, if undertaken, could have a direct material effect on the Company's consolidated financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, bank holding companies and banks must meet specific capital guidelines that involve quantitative measures of their assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. Capital amounts and classifications are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Company and its banking subsidiary to maintain minimum amounts and ratios set forth in the table below of Total and Tier 1 Capital, as defined in the regulations, to risk weighted assets, as defined, and of Tier 1 Capital, as defined, to average assets, as defined. Management believes, as of December 31, 2005 and 2004, that the Company and the Bank exceeded all capital adequacy minimum requirements.

NOTE 9 - SHAREHOLDERS' EQUITY, Continued

As of December 31, 2005, the most recent notification from the FDIC categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Company and the Bank must maintain minimum Total risk-based, Tier 1 risk-based, and Tier 1 leverage ratios as set forth in the table. There are no conditions or events since that notification that management believes have changed the Bank's category. The Company's and the Bank's actual capital amounts and ratios are also presented in the table.

	Actual		For capital adequacy purposes		To be well capitalized under prompt corrective action provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<i>(Dollars in thousands)</i>						
December 31, 2005						
The Company						
Total Capital (to risk weighted assets)	\$ 9,155	13.01%	\$ 5,629	8.0%	\$ 7,037	N/A
Tier 1 Capital (to risk weighted assets)	8,353	11.87	2,815	4.0	4,222	N/A
Tier 1 Capital (to average assets)	8,353	9.17	2,111	3.0	3,518	N/A
The Bank						
Total Capital (to risk weighted assets)	\$ 8,906	12.66%	\$ 5,629	8.0%	\$ 7,037	10.0%
Tier 1 Capital (to risk weighted assets)	8,104	11.52	2,815	4.0	4,222	6.0
Tier 1 Capital (to average assets)	8,104	8.24	2,111	3.0	3,518	5.0
December 31, 2004						
The Company						
Total Capital (to risk weighted assets)	\$ 9,146	14.31%	\$ 5,113	8.0%	\$ 6,391	N/A
Tier 1 Capital (to risk weighted assets)	8,521	13.33	2,556	4.0	3,834	N/A
Tier 1 Capital (to average assets)	8,521	10.45	2,447	3.0	4,078	N/A
The Bank						
Total Capital (to risk weighted assets)	\$ 8,585	13.43%	\$ 5,113	8.0%	\$ 6,391	10.0%
Tier 1 Capital (to risk weighted assets)	7,960	12.46	2,556	4.0	3,834	6.0
Tier 1 Capital (to average assets)	7,960	9.76	2,447	3.0	4,078	5.0

NOTE 10 - INCOME TAXES

Income tax expense (benefit) for the years ended December 31, 2005 and 2004 is summarized as follows:

	2005	2004
Currently payable:		
Federal	\$ 633,582	\$ 394,805
State	47,625	46,938
Total current	681,207	441,743
Total deferred	(173,207)	13,257
Income tax expense	<u>\$ 508,000</u>	<u>\$ 455,000</u>

NOTE 10 - INCOME TAXES, Continued

The gross amounts of deferred tax assets (liabilities) as of December 31, 2005 and 2004 are as follows:

	<u>2005</u>	<u>2004</u>
Deferred tax assets:		
Allowance for loan losses	\$ 241,830	\$ 184,757
Net deferred loan fees	7,438	13,487
Accrual to cash adjustment	139,764	49,648
Unrealized holding losses on securities available for sale	86,064	-
Other	4,186	-
Gross deferred tax assets	<u>479,282</u>	<u>247,892</u>
Deferred tax liabilities:		
Unrealized holding gains on securities available for sale	-	(48,202)
Depreciation	(79,704)	(107,555)
Gross deferred tax liability	<u>(79,704)</u>	<u>(155,757)</u>
Net deferred tax asset	<u>\$ 399,578</u>	<u>\$ 92,135</u>

The net deferred tax asset is included in other assets at December 31, 2005 and 2004. A portion of the change in net deferred taxes relates to the change in unrealized net gains and losses on securities available for sale. The related 2005 deferred tax benefit of \$86,064 and the 2004 deferred tax benefit of \$20,355 have been recorded directly to shareholders' equity. The balance of the change in net deferred taxes results from the current period deferred tax benefit.

Reconciliation between the income tax expense and the amount computed by applying the federal statutory rate of 34% to income before income taxes for the years ended December 31, 2005 and 2004 follows:

	<u>2005</u>		<u>2004</u>	
Tax expense at statutory rate	\$ 565,186	34.0%	\$509,339	34.0%
State income tax, net of federal income tax benefit	34,281	2.1	30,979	2.1
Tax-exempt interest income	(74,204)	(4.5)	(71,305)	(4.8)
Non-deductible interest expense	4,983	0.3	5,884	-
Other, net	<u>(22,246)</u>	<u>(1.3)</u>	<u>(19,897)</u>	<u>(0.1)</u>
Total	<u>\$ 508,000</u>	<u>30.6%</u>	<u>\$455,000</u>	<u>31.2%</u>

NOTE 11 - RETIREMENT PLAN

In 1993, the Company established the Clover Community Bank Employees' Retirement Savings Plan (the "Savings Plan") for the exclusive benefit of all eligible employees and their beneficiaries. Employees are eligible to participate in the Savings Plan after attaining age 21 and completing twelve months of service, and are credited with at least 1000 hours of service during the eligibility computation period. Employees are allowed to defer their salary up to the maximum dollar amount determined by federal laws and regulations each year. The Company matches \$0.50 for each dollar contributed by the employees up to 6% of each employee's total pay. The Board of Directors can also elect to make discretionary contributions.

NOTE 11 - RETIREMENT PLAN, Continued

Employees are fully vested in both the matching and any discretionary contributions after six years of service. The employer matching contributions to the Savings Plan for the years ended December 31, 2005 and 2004 totaled \$29,399 and \$22,878, respectively.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Commitments to Extend Credit - In the normal course of business, the Bank is party to financial instruments with off-balance-sheet risk. These financial instruments include commitments to extend credit and standby letters of credit, and have elements of credit risk in excess of the amount recognized in the balance sheet. The exposure to credit loss in the event of nonperformance by the other parties to the financial instruments for commitments to extend credit and standby letters of credit is represented by the contractual notional amount of those instruments. Generally, the same credit policies used for on-balance-sheet instruments, such as loans, are used in extending loan commitments and standby letters of credit.

Following are the off-balance-sheet financial instruments whose contract amounts represent credit risk at December 31, 2005 and 2004:

	<u>2005</u>	<u>2004</u>
Loan commitments	\$ 17,059,000	\$ 14,667,000
Standby letters of credit	340,000	37,000

Loan commitments involve agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and some involve payment of a fee. Many of the commitments are expected to expire without being fully drawn; therefore, the total amount of loan commitments does not necessarily represent future cash requirements. Each customer's creditworthiness is evaluated on a case-by-case basis. The amount of collateral obtained, if any, upon extension of credit is based on management's credit evaluation of the borrower. Collateral held varies but may include commercial and residential real properties, accounts receivable, inventory and equipment.

Standby letters of credit are conditional commitments to guarantee the performance of a customer to a third party. The credit risk involved in issuing standby letters of credit is the same as that involved in making loan commitments to customers.

Short-term Borrowing Availability - At December 31, 2005, the banking subsidiary had an unused short-term line of credit to purchase up to \$2,400,000 in federal funds from a correspondent financial institution. This line expires October 1, 2006; however, the lender reserves the right to withdraw the accommodations at any time.

Litigation - The Company and the Bank were not involved as defendants in any litigation at December 31, 2005. Management is not aware of any pending or threatened litigation, or unasserted claims or assessments that are expected to result in losses, if any, that would be material to the consolidated financial statements.

NOTE 13 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company has used management's best estimate of fair value based on the above assumptions described in Note 1. Thus, the fair values presented may not be the amounts which could be realized in an immediate sale or settlement of the instrument. In addition, any income taxes or other expenses which would be incurred in an actual sale or settlement are not taken into consideration in the fair value presented.

The estimated fair values of the Company's financial instruments as of December 31, 2005 and 2004 are as follows:

	2005		2004	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Financial Assets:				
Cash and due from banks	\$ 2,156,807	\$ 2,156,807	\$ 1,383,919	\$ 1,383,919
Interest-earning deposits in other banks	7,620	7,620	20,763	20,763
Federal funds sold	17,529,000	17,529,000	6,750,000	6,750,000
Securities available for sale	19,232,005	19,232,005	14,201,616	14,201,616
Nonmarketable equity securities	400,076	400,076	371,900	371,900
Loans, net	58,968,961	58,696,567	55,191,139	56,090,149
Accrued interest receivable	429,536	429,536	341,435	341,435
Financial Liabilities:				
Deposits	90,219,439	90,187,204	67,973,369	67,978,759
Advances from Federal Home Loan Bank	2,000,000	2,028,572	4,000,000	4,040,008
Accrued interest payable	545,034	545,034	256,210	256,210

NOTE 14 - CLOVER COMMUNITY BANKSHARES, INC. (PARENT COMPANY ONLY)

Presented below are the condensed financial statements for Clover Community Bankshares, Inc. (Parent Company Only).

***CLOVER COMMUNITY BANKSHARES, INC. (PARENT COMPANY ONLY)
CONDENSED BALANCE SHEETS***

	<u>December 31,</u>	
	<u>2005</u>	<u>2004</u>
Assets:		
Cash	\$ 546,014	\$ 560,569
Investment in banking subsidiary	7,955,745	8,046,056
	<u>\$ 8,501,759</u>	<u>\$ 8,606,625</u>
Shareholders' equity:	<u>\$ 8,501,759</u>	<u>\$ 8,606,625</u>

***CLOVER COMMUNITY BANKSHARES, INC. (PARENT COMPANY ONLY)
CONDENSED STATEMENTS OF INCOME***

	<u>For the years ended December 31,</u>	
	<u>2005</u>	<u>2004</u>
Income		
Dividends received from banking subsidiary	\$ 1,010,195	\$ 405,108
Interest income	3,759	3,020
Total income	<u>1,013,954</u>	<u>408,128</u>
Expenses	<u>3,956</u>	<u>5,115</u>
Income before equity in undistributed earnings of banking subsidiary	1,009,998	403,013
Equity in undistributed earnings of banking subsidiary	144,314	637,950
Net income	<u>\$ 1,154,312</u>	<u>\$ 1,040,963</u>

NOTE 14 - CLOVER COMMUNITY BANKSHARES, INC. (PARENT COMPANY ONLY), Continued

**CLOVER COMMUNITY BANKSHARES, INC. (PARENT COMPANY ONLY)
CONDENSED STATEMENTS OF CASH FLOWS**

	For the years ended December 31,	
	2005	2004
Cash flows from operating activities:		
Net income	\$ 1,154,312	\$ 1,040,963
Adjustments to reconcile net income to net cash provided by operating activities:		
Equity in undistributed earnings of banking subsidiary	(144,314)	(637,950)
Decrease in other assets	-	-
Net cash provided by operating activities	<u>1,009,998</u>	<u>403,013</u>
Cash flows from financing activities:		
Sales of common stock under dividend reinvestment plan	56,519	45,905
Repurchase and retirement of common stock	(70,877)	(77,274)
Cash dividends paid	(1,010,195)	(405,108)
Net cash used for financing activities	<u>(1,024,553)</u>	<u>(436,477)</u>
Net decrease in cash and cash equivalents	(14,555)	(33,464)
CASH, BEGINNING OF YEAR	<u>560,569</u>	<u>594,033</u>
CASH, END OF YEAR	<u>\$ 546,014</u>	<u>\$ 560,569</u>

NOTE 15 - SUBSEQUENT EVENT

On March 27, 2006, the Company's shareholders voted to amend the Company's Articles of Incorporation to provide for the reclassification of shares (the "Reclassification") of the Company's common stock held by shareholders who were the record holders of fewer than 800 shares of common stock into shares of Series A preferred stock. The Reclassification became effective on March 29, 2006 upon the filing of the Articles of Amendment with the South Carolina Secretary of State. The Reclassification resulted in approximately 114,000 shares of the Company's common stock were reclassified to Series A preferred stock, on the basis of one share of Series A preferred stock for each share of common stock. The Company is no longer subject to the requirements of the Securities Exchange Act of 1934 and thus is no longer required to file reports with the Securities and Exchange Commission as a result of the Reclassification.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Clover Community Bankshares, Inc. and Subsidiary
Clover, South Carolina

We have audited the accompanying consolidated balance sheets of Clover Community Bankshares, Inc. and Subsidiary (the "Company") as of December 31, 2007 and 2006, and the related consolidated statements of income, changes in shareholders' equity and comprehensive income, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Clover Community Bankshares, Inc. and Subsidiary as of December 31, 2007 and 2006 and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Greenville, South Carolina
April 18, 2008

**CLOVER COMMUNITY BANKSHARES, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS**

	December 31,	
	2007	2006
ASSETS		
Cash and cash equivalents:		
Cash and due from banks	\$ 2,355,294	\$ 2,432,369
Interest-earning deposits in other banks	897,038	15,472
Federal funds sold	2,479,000	13,474,000
Total cash and cash equivalents	<u>5,731,332</u>	<u>15,921,841</u>
Investment securities:		
Securities available for sale	21,859,740	23,771,794
Nonmarketable equity securities	254,576	441,076
Total investment securities	<u>22,114,316</u>	<u>24,212,870</u>
Loans receivable	79,798,103	66,450,110
Less allowance for loan losses	(913,166)	(961,040)
Loans, net	<u>78,884,937</u>	<u>65,489,070</u>
Premises, furniture and equipment, net	2,346,584	2,305,179
Accrued interest receivable	576,622	531,765
Other assets	3,885,217	510,313
Total assets	<u>\$ 113,539,008</u>	<u>\$ 108,971,038</u>
LIABILITIES		
Deposits:		
Noninterest-bearing	\$ 12,031,659	\$ 12,903,354
Interest-bearing	90,337,470	84,363,731
Total deposits	<u>102,369,129</u>	<u>97,267,085</u>
Advances from Federal Home Loan Bank	-	2,000,000
Accrued interest payable	588,827	673,131
Other liabilities	574,723	127,204
Total liabilities	<u>103,532,679</u>	<u>100,067,420</u>
SHAREHOLDERS' EQUITY		
Preferred stock, no par value, 10,000,000 shares authorized, issued and outstanding 113,125 shares for 2007 and 2006	1,131	1,131
Common stock, par value \$.01 per share, 10,000,000 shares authorized, issued and outstanding 836,786 shares shares for 2007 and 2006	8,638	8,638
Capital surplus	2,684,161	2,684,161
Retained earnings	7,297,691	6,292,200
Accumulated other comprehensive income (loss)	14,708	(82,512)
Total shareholders' equity	<u>10,006,329</u>	<u>8,903,618</u>
Total liabilities and shareholders' equity	<u>\$ 113,539,008</u>	<u>\$ 108,971,038</u>

The accompanying notes are an integral part of these consolidated financial statements.

CLOVER COMMUNITY BANKSHARES, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME

	For the years ended December 31,	
	2007	2006
Interest income:		
Loans, including fees	\$ 6,225,827	\$ 5,271,281
Investment securities:		
Taxable	733,035	666,136
Tax-exempt	302,897	281,817
Nonmarketable equity securities	24,264	21,652
Federal funds sold	464,784	643,323
Total interest income	7,750,807	6,884,209
Interest expense:		
Time deposits \$100,000 and over	625,173	490,790
Other deposits	2,031,844	1,642,744
Advances from Federal Home Loan Bank	46,010	65,600
Total interest expense	2,703,027	2,199,134
Net interest income	5,047,780	4,685,075
Provision for loan losses	117,500	200,000
Net interest income after provision for loan losses	4,930,280	4,485,075
Noninterest income:		
Service charges on deposit accounts	985,127	938,990
Credit life insurance commissions	5,750	8,335
Gain on sale of securities available for sale	12,031	671
Other	43,575	49,020
Total noninterest income	1,046,483	997,016
Noninterest expense:		
Salaries and employee benefits	2,212,063	1,918,458
Net occupancy	262,919	182,215
Furniture and equipment	338,379	313,424
Printing, postage and stationery	172,286	166,516
Professional services	88,042	56,652
Data processing	114,716	113,818
ATM/Debit card	175,898	152,708
Directors fees	72,000	60,750
Other operating	429,318	316,730
Total noninterest expense	3,865,621	3,281,271
Income before income taxes	2,111,142	2,200,820
Income tax expense	663,500	686,000
Net income	\$ 1,447,642	\$ 1,514,820
Earnings per share		
Weighted average number of common shares outstanding	863,786	900,780
Earnings per share	\$ 1.68	\$ 1.68

The accompanying notes are an integral part of these consolidated financial statements.

CLOVER COMMUNITY BANKSHARES, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the years ended December 31,	
	2007	2006
Cash flows from operating activities:		
Net income	\$ 1,447,642	\$ 1,514,820
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	117,500	200,000
Depreciation	220,930	162,267
Increase in deferred loan fees and costs	7,711	4,979
Discount accretion and premium amortization	12,010	49,708
Deferred income tax expense (benefit)	22,019	(143,323)
Gain on sale of securities available for sale	12,031	671
Increase in accrued interest receivable	(44,857)	(102,229)
Increase (decrease) in accrued interest payable	(84,304)	128,097
Decrease (increase) in other assets	(346,923)	127,162
Increase in other liabilities	393,200	52,043
Net cash provided by operating activities	<u>1,756,959</u>	<u>1,994,195</u>
Cash flows from investing activities:		
Purchases of securities available for sale	(3,233,758)	(7,045,192)
Maturities of securities available for sale	4,773,310	2,561,301
Sale (purchase) of nonmarketable equity securities	186,500	(41,000)
Proceeds from sale of securities	500,000	-
Net increase in loans made to customers	(14,121,078)	(6,725,088)
Increase in Bank Owned Life Insurance	(2,450,000)	-
Purchase of premises, furniture and equipment	(262,335)	(384,438)
Net cash used for investing activities	<u>(14,607,361)</u>	<u>(11,634,417)</u>
Cash flows from financing activities:		
Net increase (decrease) in demand deposits, interest-bearing transaction accounts and savings accounts	(466,932)	5,522,824
Net increase in certificates of deposit and other time deposits	5,568,976	1,524,822
Repayments of advances from Federal Home Loan Bank	(2,000,000)	-
Cash dividends paid	(442,151)	(491,278)
Repurchase and retirement of stock	-	(687,732)
Net cash provided by financing activities	<u>2,659,893</u>	<u>5,868,636</u>
Net decrease in cash and cash equivalents	<u>(10,190,509)</u>	<u>(3,771,586)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>15,921,841</u>	<u>19,693,427</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 5,731,332</u>	<u>\$ 15,921,841</u>

The accompanying notes are an integral part of these consolidated financial statements.

CLOVER COMMUNITY BANKSHARES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Clover Community Bankshares, Inc. (the "Company"), a bank holding company, and its wholly-owned subsidiary, Clover Community Bank (the "Bank"), are engaged in providing domestic commercial banking services from their headquarters office in Clover, South Carolina, branch offices in Lake Wylie and York, South Carolina and a loan production office in Rock Hill, South Carolina. The Company is a South Carolina corporation and the Bank is a state chartered commercial bank with its deposits insured by the Federal Deposit Insurance Corporation (the "FDIC"). Therefore, the Company and its bank subsidiary operate under the supervision, rules and regulations of the Federal Reserve Board, FDIC and South Carolina State Board of Financial Institutions. The Company was incorporated on March 4, 1998 and the Bank was organized in 1986 and first commenced commercial operations on October 1, 1987.

Clover Community Bank is a community-oriented institution offering a full range of traditional banking services, with the exception of trust services. Substantially all of its loans are made to individuals and businesses within the Clover, York and Lake Wylie areas of York County, South Carolina. The Bank has a diversified loan portfolio and borrowers' abilities to repay are not dependent upon any specific economic sector. Also, substantially all of its deposits are acquired within its local market area and no brokered deposits are accepted.

In 2006, Clover Community Bankshares filed the required regulatory filings to deregister from the Securities and Exchange Commission ("SEC") registry and convert to private status. To facilitate the privatization, the Company eliminated its dividend reinvestment program and all fractional shares outstanding were paid out at that time. Upon the Company's decision to delist from the SEC registry, all shareholders with ownership of less than 800 shares had their shares converted into preferred stock. The SEC approved the Company's deregistration in March 2006.

Principles of Consolidation and Basis of Presentation - The consolidated financial statements include the accounts of the Company and the Bank after elimination of all significant intercompany balances and transactions.

Use of Estimates - In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as well as amounts of income and expenses during the reporting period. Actual results could differ significantly from those estimates.

Investment Securities - Equity securities that have readily determinable fair values and all debt securities are classified generally at the time of purchase into one of three categories: held to maturity, trading or available for sale. Debt securities which the Company has the positive intent and ability to hold to ultimate maturity are classified as held to maturity and accounted for at amortized cost. Debt and equity securities that are bought and held primarily for sale in the near term are classified as trading and are accounted for on an estimated fair value basis, with unrealized gains and losses included in other income. However, the Company has never held any securities for trading purposes. Securities not classified as either held to maturity or trading are classified as available for sale and are accounted for at estimated fair value. Unrealized holding gains and losses on available for sale securities are excluded from earnings and recorded as other comprehensive income (loss), net of applicable income tax effects. Dividend and interest income, including amortization of any premium or accretion of discount arising at acquisition, is included in earnings for all three categories of securities. Realized gains and losses on all categories of securities are included in other non-interest income, based on the amortized cost of the specific security on a trade date basis.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Nonmarketable Equity Securities - Nonmarketable equity securities consist of restricted securities, which are carried at cost. Management periodically evaluates these securities for impairment, with any appropriate downward valuation adjustments being made when necessary.

Loans Receivable and Interest Income - Loans are carried at principal amounts outstanding, increased or reduced by deferred net loan costs or fees. Interest income on loans is recognized using the interest method based upon the principal amounts outstanding. Loan origination and commitment fees and certain direct loan origination costs (principally salaries and employee benefits) are deferred and amortized as an adjustment of the related loan's yield. Generally, these amounts are amortized over the contractual life of the related loans or commitments. A loan is considered to be impaired when, in management's judgment based on current information and events, it is probable that the obligation's principal or interest will not be collectible in accordance with the terms of the original loan agreement. Impaired loans, when not material, are carried in the balance sheet at a value not to exceed their observable market price or the fair value of the collateral if the repayment of the loan is expected to be provided solely by the underlying collateral. The carrying value of any impaired loan is measured based on the present value of expected future cash flows discounted at the loan's effective interest rate, which is the contractual interest rate adjusted for any deferred loan fees or costs, premium or discount existing at the inception or acquisition of the loan. Generally, the accrual of interest is discontinued on impaired loans and any previously accrued interest on such loans is reversed against current income. Any subsequent interest income is recognized on a cash basis when received unless collectibility of a significant amount of principal is in serious doubt. In such cases, collections are credited first to the remaining principal balance on a cost recovery basis. An impaired loan is not returned to accrual status unless principal and interest are current and the borrower has demonstrated the ability to continue making payments as agreed.

Allowance for Loan Losses - The allowance for loan losses is established as losses are estimated to have occurred through a provision for loan losses charged to earnings. Loan losses are charged against the allowance when management believes the uncollectibility of a loan balance is confirmed. Subsequent recoveries, if any are credited to the allowance.

The allowance for loan losses is evaluated on a regular basis by management and is based upon management's periodic review of the collectibility of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral and prevailing economic conditions. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available.

The allowance consists of specific, general and unallocated components. The specific component relates to loans that are classified as doubtful, substandard or special mention. For such loans that are also classified as impaired, an allowance is established when the discounted cash flows (or collateral value or observable market price) of the impaired loan is lower than the carrying value of that loan. The general component covers non-classified loans and is based on historical loss experience adjusted for qualitative factors. An unallocated component is maintained to cover uncertainties that could affect management's estimate of probable losses. The unallocated component of the allowance reflects the margin of imprecision inherent in the underlying assumptions used in the methodologies for estimating specific and general losses in the portfolio.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting scheduled principal and interest payments when due. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the borrower's prior payment record, and the amount of the shortfall in relation to the principal and interest owed. Impairment is measured on a loan by loan basis for commercial and construction loans by either the present value of expected future cash flows discounted at the loan's effective interest rate, the loan's obtainable market price, or the fair value of the collateral if the loan is collateral dependent.

Large groups of smaller balance homogeneous loans are collectively evaluated for impairment. Accordingly, the Corporation does not separately identify individual consumer and residential loans for impairment disclosures, unless such loans are the subject of a restructuring agreement.

Premises, Furniture and Equipment - Premises, furniture and equipment are stated at cost, less accumulated depreciation. The provision for depreciation is computed predominantly using the straight-line method. Rates of depreciation are generally based on the following estimated useful lives: building - 31.5 years; furniture and equipment - 5 to 7 years. The cost of assets sold or otherwise disposed of, and the related allowance for depreciation is eliminated from the accounts and the resulting gains or losses are reflected in the consolidated statements of income. Maintenance and repairs are charged to current expense as incurred and the costs of major renewals and improvements are capitalized.

Other Real Estate Owned - Other real estate owned consists primarily of real estate acquired by the Company through legal foreclosure or deed in lieu of foreclosure. The property is initially carried at the lower of cost (generally the loan balance plus additional costs incurred for improvements to the property) or the estimated fair value of the property less estimated selling costs. If there are subsequent declines in fair value, the property is written down to its fair value through a charge to expense. Capital expenditures made to improve the property are capitalized. Costs of holding real estate, such as property taxes, insurance and maintenance, less related revenues during the holding period, are charged to operations. The Company had \$600,000 in other real estate owned at December 31, 2007 which is recorded in other assets on the accompanying consolidated balance sheets. The Company had no other real estate owned at December 31, 2006.

Bank Owned Life Insurance - The Company has purchased life insurance policies on certain key employees which are expected to provide funding for future benefit payments. These policies are recorded in other assets on the accompanying consolidated balance sheets and are carried at their net cash surrender value, or the amount that can be realized. Income from these policies and changes in the net cash surrender value are recorded in noninterest income. The Company had \$2,450,000 in bank owned life insurance at December 31, 2007 which is recorded in other assets on the accompanying consolidated balance sheets. The Company had no bank owned life insurance at December 31, 2006.

Advertising - The Company expenses advertising and promotion costs as incurred.

Income Taxes - The Company uses an asset and liability approach for financial accounting and reporting of deferred income taxes. Deferred tax assets and liabilities are determined based on the difference between the financial statement and income tax basis of assets and liabilities as measured by the current tax rates which are assumed in effect when these differences reverse. If it is more likely than not that some portion or all of a deferred tax asset will not be realized, a valuation allowance is recognized. Deferred income tax expense or credit is the result of changes in deferred tax assets and liabilities.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Earnings Per Share - Earnings per share is calculated by subtracting preferred stock dividends from net income to arrive at net income available to commons stockholders and dividing net income by the weighted average number of shares of the Company's common stock outstanding during the period. The Company has no potentially dilutive common shares, stock options or warrants outstanding and therefore has not presented diluted earnings per share.

Comprehensive Income - Comprehensive income consists of net income for the current period and other comprehensive income, defined as income, expenses, gains and losses that bypass the consolidated statement of income and are reported directly in a separate component of shareholders' equity. The Company classifies and reports items of other comprehensive income or loss by their nature, reports total comprehensive income or loss in the consolidated statement of changes in shareholders' equity and comprehensive income, and displays the accumulated balance of other comprehensive income or loss separately in the shareholders' equity section of the consolidated balance sheet.

Consolidated Statement of Cash Flows - The consolidated statement of cash flows reports net cash provided or used by operating, investing and financing activities and the net effect of those cash flows on cash and cash equivalents. Cash equivalents include amounts due from banks and federal funds sold and generally have an original maturity of three months or less.

The following summarizes supplemental cash flow information for the years ended December 31, 2007 and 2006:

	For the years ended December 31,	
	2007	2006
Cash paid for:		
Interest	\$ 2,787,332	\$ 2,071,037
Income taxes	625,000	592,660
Supplemental noncash investing and financing activities:		
Change in unrealized gain or loss on securities available for sale, net of tax	\$ 97,220	\$ 66,049

Fair Value Of Financial Instruments - Statement of Financial Accounting Standards ("SFAS") No. 107, "Disclosures about Fair Value of Financial Instruments", requires disclosure of fair value information, whether or not recognized in the balance sheets, when it is practical to estimate the fair value. SFAS No. 107 defines a financial instrument as cash, evidence of an ownership interest in an entity or contractual obligations, which require the exchange of cash or other financial instruments. Certain items are specifically excluded from the disclosure requirements, including the Company's common stock, premises, furniture and equipment and other assets and liabilities.

Estimates of the fair value of financial instruments are made at a specific point in time based on relevant market information about the instruments. These estimates do not reflect any premium or discount that could result from offering for sale at one time the Company's entire holdings of a particular financial instrument. Because no active trading market exists for a significant portion of the Company's financial instruments, fair value estimates are based on management's judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Fair value approximates carrying value for the following financial instruments due to the short-term nature of the instrument: cash and due from banks, interest-bearing deposits in other banks and federal funds sold.

Investment securities are valued using quoted market prices. The carrying value of nonmarketable equity securities is considered a reasonable estimate of fair value since no ready market exists for these securities and it has no quoted market value; however, redemption of this stock has historically been at par value.

Fair value for variable rate loans that reprice frequently, credit card receivables and lines of credit is based on the carrying value. Fair value for fixed rate mortgage loans, personal loans, and all other loans (primarily commercial) is based on the discounted present value of the estimated future cash flows. Discount rates used in these computations approximate the rates currently offered for similar loans of comparable terms and credit quality.

Fair value for demand deposit accounts and interest-bearing accounts with no fixed maturity date is equal to the carrying value. The fair value of certificate of deposit accounts is estimated by discounting cash flows from expected maturities using current interest rates on similar instruments.

Fair value for advances from the Federal Home Loan Bank ("FHLB") is estimated at the carrying amount for variable rate advances as the rates approximate rates currently offered for similar borrowings of comparable terms and credit quality. For fixed rate advances, fair value is estimated by discounting cash flows from maturities using current interest rates on similar instruments.

Fair value of off balance sheet investments is based on fees currently charged to enter into similar agreements; taking into account the remaining terms of the agreements and the counterparties' credit standing.

Reclassifications - Certain captions and amounts in the 2006 consolidated financial statements were reclassified to conform to the 2007 presentation. These reclassifications had no impact on previously reported net income or retained earnings.

Recently Issued Accounting Standards - The following is a summary of recent authoritative pronouncements that affect accounting, reporting, and disclosure of financial information by the Company:

In June 2006, the FASB issued Interpretation No. 48 ("FIN No. 48"), "Accounting for Uncertainty in Income Taxes," to clarify the accounting and disclosure for uncertainty in tax positions, as defined. FIN No. 48 seeks to reduce the diversity in practice associated with certain aspects of the recognition and measurement related to accounting for income taxes. FIN No. 48 prescribes a comprehensive model for the financial statement recognition, measurement, presentation and disclosure of uncertain tax positions taken or expected to be taken in income tax returns. The Company is required to adopt FIN No. 48 in 2008. The cumulative effect of applying the provisions of this interpretation is required to be reported separately as an adjustment to the opening balance of retained earnings in the year of adoption. The Company does not expect the adoption of FIN No. 48 to materially impact the Company's consolidated financial statements.

In September 2006, the Financial Accounting Standards Board ("FASB") issued SFAS No. 157, "Fair Value Measurements." SFAS No. 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. This standard does not require any new fair value measurements, but rather eliminates inconsistencies found in various prior pronouncements. SFAS No. 157 is effective for the Company on January 1, 2008 and is not expected to have a significant impact on its financial position, results of operations or cash flows.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities – Including an amendment of FASB Statement No. 115." This statement permits, but does not require, entities to measure many financial instruments at fair value. The objective is to provide entities with an opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. Entities electing this option will apply it when the entity first recognizes an eligible instrument and will report unrealized gains and losses on such instruments in current earnings. This statement 1) applies to all entities, 2) specifies certain election dates, 3) can be applied on an instrument-by-instrument basis with some exceptions, 4) is irrevocable and 5) applies only to entire instruments. One exception is demand deposit liabilities which are explicitly excluded as qualifying for fair value. With respect to SFAS No. 115, available for sale and held to maturity securities at the effective date are eligible for the fair value option at that date. If the fair value option is elected for those securities at the effective date, cumulative unrealized gains and losses at that date shall be included in the cumulative-effect adjustment and thereafter, such securities will be accounted for as trading securities. SFAS No. 159 is effective for the Company on January 1, 2008. Earlier adoption is permitted in 2007 if the Company also elects to apply the provisions of SFAS No. 157, "Fair Value Measurement." The Company did not elect early adoption of SFAS No. 159 and believes that it is unlikely that it will expand its use of fair value accounting upon the January 1, 2008 effective date.

Other accounting standards that have been issued or proposed by the FASB or other standards-setting bodies that do not require adoption until a future date are not expected to have a material impact on the Company's consolidated financial statements upon adoption.

Risks and Uncertainties - In the normal course of its business the Company encounters two significant types of risks: economic and regulatory. There are three main components of economic risk: interest rate risk, credit risk, and market risk. The Company is subject to interest rate risk to the degree that its interest-bearing liabilities mature or reprice at different times, or on different bases, than its interest-earning assets. Credit risk is the risk of default on the Company's loan and investments securities portfolios that results from a borrower's inability or unwillingness to make contractually required payments. Market risk reflects changes in the value of collateral underlying loans receivable and the valuation of real estate held by the Company.

The Company is subject to the regulations of various governmental agencies. These regulations can and do change significantly from period to period. The Company also undergoes periodic examinations by the regulatory agencies, which may subject it to further changes with respect to asset valuations, amounts of required loss allowances and operating restrictions from the regulators' judgments based on information available to them at the time of their examination.

Concentrations of Credit Risk - Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of loans receivable, investment securities, federal funds sold and amounts due from banks.

The Company makes loans to individuals and small businesses for various personal and commercial purposes primarily in the upstate region of South Carolina. The Company's loan portfolio is not concentrated in loans to any single borrower or a relatively small number of borrowers. Additionally, Management is not aware of any concentrations of loans to classes of borrowers or industries that would be similarly affected by economic conditions.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

In addition to monitoring potential concentrations of loans to particular borrowers or groups of borrowers, industries and geographic regions, Management monitors exposure to credit risk from concentrations of lending products and practices such as loans that subject borrowers to substantial payment increases (e.g. principal deferral periods, loans with initial interest-only periods, etc), and loans with high loan-to-value ratios. Management has determined that there is no concentration of credit risk associated with its lending policies or practices. Additionally, there are industry practices that could subject the Company to increased credit risk should economic conditions change over the course of a loan's life. For example, the Company makes variable rate loans and fixed rate principal-amortizing loans with maturities prior to the loan being fully paid (i.e. balloon payment loans). These loans are underwritten and monitored to manage the associated risks. Therefore, management believes that these particular practices do not subject the Company to unusual credit risk.

The Company's investment portfolio consists principally of obligations of the United States, its agencies or its corporations and general obligation municipal securities. In the opinion of Management, there is no concentration of credit risk in its investment portfolio. The Company places its deposits and correspondent accounts with and sells its federal funds to high quality institutions. Management believes credit risk associated with correspondent accounts is not significant.

NOTE 2 - CASH AND DUE FROM BANKS

Banks are generally required by regulation to maintain an average cash reserve balance based on a percentage of deposits. These requirements were met by vault cash at December 31, 2007 and 2006.

NOTE 3 - SECURITIES AVAILABLE FOR SALE

The amortized cost and estimated fair values of securities available for sale at December 31, 2007 and 2006 were as follows:

	Amortized cost	Gross unrealized		Estimated fair value
		Gains	Losses	
December 31, 2007				
Government-sponsored enterprises	\$ 3,916,311	\$ 36,733	\$ 1,541	\$ 3,951,502
State, county and municipal	7,911,300	80,713	28,315	7,963,698
Mortgage-backed securities	10,008,939	40,579	104,979	9,944,540
Total	\$ 21,836,550	\$ 158,025	\$ 134,835	\$ 21,859,740
	Amortized cost	Gross unrealized		Estimated fair value
		Gains	Losses	
December 31, 2006				
Government-sponsored enterprises	\$ 5,465,435	\$ 5,469	\$ 35,716	\$ 5,435,188
State, county and municipal	7,918,388	89,898	56,923	7,951,363
Mortgage-backed securities	10,516,320	16,778	147,855	10,385,243
	\$ 23,900,143	\$ 112,145	\$ 240,494	\$ 23,771,794

(Continued)

NOTE 3 - SECURITIES AVAILABLE FOR SALE, Continued

The following tables present gross unrealized losses and related fair values, aggregated by investment category, and length of time that individual securities have been in a continuous unrealized loss position at December 31, 2007 and December 31, 2006.

	<u>Less than 12 Months</u>		<u>12 Months or More</u>		<u>Total</u>	
	<u>Fair value</u>	<u>Unrealized Losses</u>	<u>Fair value</u>	<u>Unrealized losses</u>	<u>Fair value</u>	<u>Unrealized losses</u>
December 31, 2007						
Government-sponsored enterprises	\$ -	\$ -	\$ 431,892	\$ 1,541	\$ 431,892	\$ 1,541
State, county and municipal	789,682	9,338	3,061,530	18,977	3,851,212	28,315
Mortgage-backed securities	52,428	317	5,635,325	104,662	5,687,753	104,979
Total	\$ 842,110	\$ 9,655	\$ 9,128,747	\$ 125,180	\$ 9,970,857	\$ 134,835

	<u>Less than 12 Months</u>		<u>12 Months or More</u>		<u>Total</u>	
	<u>Fair value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair value</u>	<u>Unrealized losses</u>
December 31, 2006						
Government-sponsored enterprises	\$ 480,478	\$ 1,718	\$ 3,449,241	\$ 33,998	\$ 3,929,719	\$ 35,716
State, county and municipal	-	-	3,882,568	56,923	3,882,568	56,923
Mortgage-backed securities	2,478,368	37,293	5,171,688	110,562	7,650,056	147,855
Total	\$ 2,958,846	\$ 39,011	\$ 12,503,497	\$ 201,483	\$ 15,462,343	\$ 240,494

Securities classified as available for sale are recorded at fair market value. At December 31, 2007, the amounts included in the category twelve months or more in the above table consisted of one Government-sponsored enterprise, ten municipal securities and twenty-three mortgage-backed securities in a continuous loss position for twelve months or more. At December 31, 2006, the amounts included in the category twelve months or more in the above table consisted of seven Government-sponsored enterprises, twelve municipal securities and nineteen mortgage-backed securities in a continuous loss position for twelve months or more. The Company believes that the deterioration in value is attributable to changes in market interest rates and not in credit quality and considers these losses to be temporary. The Company has the ability and intent to hold these securities until such time as the value recovers.

(Continued)

NOTE 3 - SECURITIES AVAILABLE FOR SALE, Continued

The following is a summary of maturities of securities available for sale as of December 31, 2007 and 2006. The amortized cost and estimated fair values are based on the contractual maturity dates. Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without penalty.

	December 31,			
	2007		2006	
	Amortized Cost	Estimated fair value	Amortized cost	Estimated fair value
Due in less than one year	\$ 110,000	\$ 110,000	\$ 1,749,856	\$ 1,743,717
Due after one through five years	4,302,878	4,319,003	4,422,927	4,397,825
Due after five through ten years	4,530,011	4,567,636	4,549,334	4,532,359
Due after ten years	2,884,722	2,918,561	2,661,706	2,712,650
	11,827,611	11,915,200	13,383,823	13,386,551
Mortgage-backed securities	10,008,939	9,944,540	10,516,320	10,385,243
Total	<u>\$ 21,836,550</u>	<u>\$ 21,859,740</u>	<u>\$ 23,900,143</u>	<u>\$ 23,771,794</u>

At December 31, 2007 and 2006, securities with a carrying amount of \$2,900,813 and \$2,077,103, respectively, were pledged as collateral to secure public deposits.

NOTE 4 - NONMARKETABLE EQUITY SECURITIES

Nonmarketable equity securities at December 31, 2007 and 2006 consist of:

	2007	2006
FHLB stock	\$ 196,200	\$ 382,700
Silverton Bank stock	58,376	58,376
Total	<u>\$ 254,576</u>	<u>\$ 441,076</u>

The Bank, as a member institution, is required to own certain stock investments in the FHLB and the Silverton Bank. The FHLB stock is generally pledged against any borrowings from the FHLB (See Note 8). No ready market exists for the FHLB stock and it has no quoted market value; however, redemption of this stock has historically been at par value.

NOTE 5 - LOANS RECEIVABLE AND ALLOWANCE FOR LOAN LOSSES

Major classifications of loans receivable at December 31, 2007 and 2006 are summarized as follows:

	<u>2007</u>	<u>2006</u>
Commercial and industrial	\$ 11,608,764	\$ 9,947,901
Real estate – construction	13,798,194	9,611,432
Real estate – mortgage	41,395,746	35,123,345
Consumer and other	12,995,399	11,767,432
Total	79,798,103	66,450,110
Less allowance for possible loan losses	(913,166)	(961,040)
Loans, net	<u>\$ 78,884,937</u>	<u>\$ 65,489,070</u>

Nonperforming loans include nonaccrual loans or loans which are 90 days or more delinquent as to principal or interest payments. Nonperforming loans amounted to \$9,988 and \$288,375 at December 31, 2007 and 2006, respectively. At December 31, 2007, impaired loans amounted to approximately \$785,000 for which a reserve of \$284,000 was allocated in the allowance. At December 31, 2006, impaired loans amounted to approximately \$288,000 for which a reserve of \$35,000 was allocated in the allowance.

Transactions in the allowance for loan losses for the years ended December 31, 2007 and 2006 are summarized below:

	<u>2007</u>	<u>2006</u>
Balance, beginning of year	\$ 961,040	\$ 801,900
Provision charged to operations	117,500	200,000
Recoveries on loans previously charged-off	59,689	17,858
Loans charged-off	(225,063)	(58,718)
Balance, end of year	<u>\$ 913,166</u>	<u>\$ 961,040</u>

Certain officers and directors of the Company and its subsidiary, their immediate families and business interests were loan customers of, and had other transactions with the Bank in the normal course of business. Related party loans are made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than normal risk of collectibility. The aggregate dollar amount of these loans was \$2,327,411 and \$822,630 at December 31, 2007 and 2006, respectively. During 2007, new loans were \$1,735,111 and repayments totaled \$230,329.

NOTE 6 - PREMISES, FURNITURE AND EQUIPMENT

Premises, furniture and equipment consisted of the following at December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Land	\$ 979,273	\$ 979,273
Buildings and land improvements	1,272,909	1,272,909
Furniture and equipment	2,261,088	1,998,753
Total	4,513,270	4,250,935
Less, accumulated depreciation	(2,166,686)	(1,945,756)
Premises, furniture and equipment, net	<u>\$ 2,346,584</u>	<u>\$ 2,305,179</u>

Depreciation expense for the years ended December 31, 2007 and 2006 was \$220,930 and \$162,267, respectively.

NOTE 7 - DEPOSITS

A summary of deposits at December 31, 2007 and 2006 follows:

	<u>2007</u>	<u>2006</u>
Non-interest bearing demand	\$ 12,031,659	\$ 12,903,354
Interest bearing transaction accounts	39,137,853	39,150,431
Savings	11,695,545	11,278,204
Time, \$100,000 and over	13,068,752	12,515,449
Other time deposits	26,435,320	21,419,647
Total deposits	<u>\$ 102,369,129</u>	<u>\$ 97,267,085</u>

At December 31, 2007 the scheduled maturities of certificates of deposit are as follows:

2008	\$ 37,587,399
2009	1,066,997
2010	151,035
2011	495,324
2012	203,317
Total	<u>\$ 39,504,072</u>

NOTE 8 - ADVANCES FROM FEDERAL HOME LOAN BANK

At December 31, 2007, the Company had no outstanding advances from the FHLB. At December 31, 2006, the Company had advances from the FHLB as follows:

<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Terms</u>
\$ 2,000,000	3.28%	9/14/2007	Fixed rate

Collateral pledged for these advances are 1- 4 family residential mortgages.

The Company also has a credit availability agreement with the FHLB totaling up to 40 percent of the Bank's assets as of any quarter end. As of December 31, 2007, the available credit totaled approximately \$15,890,000.

NOTE 9 - SHAREHOLDERS' EQUITY

Restrictions on Subsidiary Dividends, Loans or Advances – South Carolina banking regulations restrict the amount of dividends that banks can pay to shareholders. Any of the Bank's dividends to the Company in an amount exceeding the amount of the current year's earnings are subject to the prior approval of the South Carolina Commissioner of Banking. In addition, dividends paid by the Bank to the Company would be prohibited if the effect thereof would cause the Bank's capital to be reduced below applicable minimum capital requirements. Under Federal Reserve Board regulations, the amounts of loans or advances from the banking subsidiary to the parent company are also restricted.

(Continued)

NOTE 9 - SHAREHOLDERS' EQUITY, Continued

Accumulated Other Comprehensive Income – As of December 31, 2007 and 2006, accumulated other comprehensive income(loss) included in shareholders' equity in the accompanying consolidated balance sheets consisted of the accumulated changes in the unrealized holding gains and losses on available for sale securities, net of income tax effects.

Preferred Stock – The Series A Preferred Stock has senior rights over common stock with regard to dividends and rights upon liquidation. Unlike common stock, the Series A Preferred Stock will not have voting rights except under very limited circumstances. The preferred stock pays dividends at the rate of 5% greater than common stock per share dividends. All shareholders holding less than 800 shares of common stock at the date of conversion to private company status had their shares converted into preferred shares. 113,725 common shares were converted to preferred shares in March 2006, with the Bank repurchasing 27,517 common and preferred shares from dissenting shareholders in May 2006.

Regulatory Capital – All bank holding companies and banks are subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary, actions by regulators that, if undertaken, could have a direct material effect on the Company's consolidated financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, bank holding companies and banks must meet specific capital guidelines that involve quantitative measures of their assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. Capital amounts and classifications are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Company and the Bank to maintain minimum amounts and ratios set forth in the table below of Total and Tier 1 Capital, as defined in the regulations, to risk weighted assets, as defined, and of Tier 1 Capital, as defined, to average assets, as defined. Management believes, as of December 31, 2007 and 2006, that the Company and the Bank exceeded all capital adequacy minimum requirements.

(Continued)

NOTE 9 - SHAREHOLDERS' EQUITY, Continued

As of March 31, 2006 the most recent notification from the FDIC categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Company and the Bank must maintain minimum Total risk-based, Tier 1 risk-based, and Tier 1 leverage ratios as set forth in the table. There are no conditions or events since that notification that management believes have changed the Bank's category. The Company's and the Bank's actual capital amounts and ratios are also presented in the table.

	Actual		For capital adequacy purposes		To be well capitalized under prompt corrective action provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<i>(Dollars in thousands)</i>						
December 31, 2007						
The Company						
Total Capital (to risk weighted assets)	\$ 10,904	12.05%	\$ 7,236	8.0%	N/A	N/A
Tier 1 Capital (to risk weighted assets)	9,991	11.05	3,618	4.0	N/A	N/A
Tier 1 Capital (to average assets)	9,991	9.00	3,331	3.0	N/A	N/A
The Bank						
Total Capital (to risk weighted assets)	\$ 10,853	12.00%	\$ 7,236	8.0%	\$ 9,040	10.0%
Tier 1 Capital (to risk weighted assets)	9,940	11.00	3,618	4.0	5,424	6.0
Tier 1 Capital (to average assets)	9,940	8.96	3,329	3.0	5,549	5.0
December 31, 2006						
The Company						
Total Capital (to risk weighted assets)	\$ 9,947	12.84%	\$ 6,197	8.0%	N/A	N/A
Tier 1 Capital (to risk weighted assets)	8,986	11.60	3,098	4.0	N/A	N/A
Tier 1 Capital (to average assets)	8,986	8.42	3,202	3.0	N/A	N/A
The Bank						
Total Capital (to risk weighted assets)	\$ 9,893	12.77%	\$ 6,197	8.0%	\$ 7,746	10.0%
Tier 1 Capital (to risk weighted assets)	8,932	11.53	3,098	4.0	4,647	6.0
Tier 1 Capital (to average assets)	8,932	8.41	3,187	3.0	5,312	5.0

NOTE 10 - INCOME TAXES

Income tax expense for the years ended December 31, 2007 and 2006 is summarized as follows:

	<u>2007</u>	<u>2006</u>
Currently payable:		
Federal	\$ 576,355	\$ 760,968
State	65,126	68,355
Total current	<u>641,481</u>	<u>829,233</u>
Deferred tax expense (benefit)	22,019	(143,323)
Income tax expense	<u>\$ 663,500</u>	<u>\$ 686,000</u>

The gross amounts of deferred tax assets (liabilities) as of December 31, 2007 and 2006 are as follows:

	<u>2007</u>	<u>2006</u>
Deferred tax assets:		
Allowance for loan losses	\$ 277,867	\$ 295,716
Other real estate owned	25,840	-
Unrealized holding losses on securities available for sale	-	45,837
Gross deferred tax assets	<u>303,707</u>	<u>341,553</u>
Deferred tax liabilities:		
Depreciation	95,865	76,793
Prepaid expenses	46,099	42,735
Net deferred loan fees	8,619	5,997
Unrealized holding gains on securities available for sale	8,482	-
Other	4,952	-
Gross deferred tax liability	<u>164,017</u>	<u>125,525</u>
Net deferred tax asset	<u>\$ 139,690</u>	<u>\$ 216,028</u>

The net deferred tax asset is included in other assets at December 31, 2007 and 2006. A portion of the change in net deferred taxes relates to the change in unrealized net gains and losses on securities available for sale. The related 2007 deferred tax expense of \$54,319 and the 2006 deferred tax benefit of \$40,277 have been recorded directly to shareholders' equity. The balance of the change in net deferred taxes results from the current period deferred tax benefit.

Reconciliation between the income tax expense and the amount computed by applying the federal statutory rate of 34% to income before income taxes for the years ended December 31, 2007 and 2006 follows:

	<u>2007</u>		<u>2006</u>	
Tax expense at statutory rate	\$ 717,640	34.0%	\$ 748,279	34.0%
State income tax, net of federal income tax benefit	42,983	2.0	45,114	2.1
Tax-exempt interest income	(102,985)	(4.9)	(95,818)	(4.4)
Non-deductible interest expense	13,304	0.6	10,801	0.5
Other, net	<u>(7,442)</u>	<u>(0.3)</u>	<u>(22,376)</u>	<u>(1.0)</u>
Total	<u>\$ 663,500</u>	<u>31.4%</u>	<u>\$ 686,000</u>	<u>31.2%</u>

NOTE 11 - RETIREMENT PLAN

In 1993, the Company established the Clover Community Bank Employees' Retirement Savings Plan (the "Savings Plan") for the exclusive benefit of all eligible employees and their beneficiaries. Employees are eligible to participate in the Savings Plan after attaining age 21 and completing twelve months of service, and are credited with at least 1000 hours of service during the eligibility computation period. Employees are allowed to defer their salary up to the maximum dollar amount determined by federal laws and regulations each year. The Company matches \$0.50 for each dollar contributed by the employees up to 6% of each employee's total pay. The Board of Directors can also elect to make discretionary contributions.

Employees are fully vested in both the matching and any discretionary contributions after six years of service. The employer matching contributions to the Savings Plan for the years ended December 31, 2007 and 2006 totaled \$30,752 and \$28,525, respectively.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Commitments to Extend Credit - In the normal course of business, the Bank is party to financial instruments with off-balance-sheet risk. These financial instruments include commitments to extend credit and standby letters of credit, and have elements of credit risk in excess of the amount recognized in the balance sheet. The exposure to credit loss in the event of nonperformance by the other parties to the financial instruments for commitments to extend credit and standby letters of credit is represented by the contractual notional amount of those instruments. Generally, the same credit policies used for on-balance-sheet instruments, such as loans, are used in extending loan commitments and standby letters of credit.

Following are the off-balance-sheet financial instruments whose contract amounts represent credit risk at December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Loan commitments	\$ 26,509,000	\$ 19,871,000
Standby letters of credit	441,000	426,000

Loan commitments involve agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and some involve payment of a fee. Many of the commitments are expected to expire without being fully drawn; therefore, the total amount of loan commitments does not necessarily represent future cash requirements. Each customer's creditworthiness is evaluated on a case-by-case basis. The amount of collateral obtained, if any, upon extension of credit is based on management's credit evaluation of the borrower. Collateral held varies but may include commercial and residential real properties, accounts receivable, inventory and equipment.

Standby letters of credit are conditional commitments to guarantee the performance of a customer to a third party. The credit risk involved in issuing standby letters of credit is the same as that involved in making loan commitments to customers.

Short-term Borrowing Availability - At December 31, 2007, the Bank had unused short-term lines of credit to purchase up to \$4,400,000 in federal funds from two correspondent financial institutions. These lines expire on February 29, 2008, \$2,000,000 and October 1, 2008, \$2,400,000; however, the lenders reserve the right to withdraw these accommodations at any time.

Litigation - The Company and the Bank were not involved as defendants in any litigation at December 31, 2007. Management is not aware of any pending or threatened litigation, or unasserted claims or assessments that are expected to result in losses, if any, that would be material to the consolidated financial statements.

NOTE 13 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company has used management's best estimate of fair value based on the above assumptions described in Note 1. Thus, the fair values presented may not be the amounts which could be realized in an immediate sale or settlement of the instrument. In addition, any income taxes or other expenses which would be incurred in an actual sale or settlement are not taken into consideration in the fair value presented.

The estimated fair values of the Company's financial instruments as of December 31, 2007 and 2006 are as follows:

	2007		2006	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Financial Assets:				
Cash and due from banks	\$ 2,355,294	\$ 2,355,294	\$ 2,432,369	\$ 2,432,369
Interest-earning deposits in other banks	897,038	897,038	15,472	15,472
Federal funds sold	2,479,000	2,479,000	13,474,000	13,474,000
Securities available for sale	21,859,740	21,859,740	23,771,794	23,771,794
Nonmarketable equity securities	254,576	254,576	441,076	441,076
Loans, net	78,884,937	78,920,937	65,489,070	64,790,077
Accrued interest receivable	576,622	576,622	531,765	531,765
Financial Liabilities:				
Deposits	102,369,129	102,436,102	97,267,085	97,592,421
Advances from Federal Home Loan Bank	-	-	2,000,000	2,006,309
Accrued interest payable	588,827	588,827	673,131	673,131

Federal Financial Institutions Examination Council

Please refer to page 1.

1

Table of Contents, for the required disclosure of estimated burden.

Consolidated Reports of Condition and Income for A Bank With Domestic Offices Only—FFIEC 041

Report at the close of Business March 31, 2008

(20080331)

(RCON 9999)

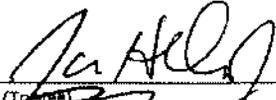
This report is required by law: 12 U.S.C. §324 (State member banks); 12 U.S.C. §1817 (State nonmember banks); and 12 U.S.C. §161 (National banks).

This report form is to be filed by banks with domestic offices only. Banks with foreign offices (as defined in the instructions) must file FFIEC 031.

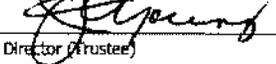
NOTE: Each bank's board of directors and senior management are responsible for establishing and maintaining an effective system of internal control, including controls over the Reports of Condition and Income. The Reports of Condition and Income are to be prepared in accordance with Federal regulatory authority instructions. The Reports of Condition and Income must be signed by the Chief Financial Officer (CFO) of the reporting bank (or by the individual performing an equivalent function) and attested to by not less than two directors (trustees) for State nonmember banks and three directors for State member and National banks.

We, the undersigned directors (trustees), attest to the correctness of the Reports of Condition and Income (including the supporting schedules) for this report date and declare that the Reports of Condition and Income have been examined by us and to the best of our knowledge and belief have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct.

I, the undersigned CFO (or equivalent) of the named bank, attest that the Reports of Condition and Income (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct to the best of my knowledge and belief.



Director (Trustee)


Director (Trustee)


Director (Trustee)



Signature of Chief Financial Officer (or Equivalent)
APRIL 29, 2008

Date of Signature

Submission of Reports

Each bank must file its Reports of Condition and Income (Call Report) data by either:

- (a) Using computer software to prepare its Call Report and then submitting the report data directly to the FFIEC's Central Data Repository (CDR), an Internet-based system for data collection (<https://cdr.ffiec.gov/cdr/>), or
- (b) Completing its Call Report in paper form and arranging with a software vendor or another party to convert the data into the electronic format that can be processed by the CDR. The software vendor or other party then must electronically submit the bank's data file to the CDR.

To fulfill the signature and attestation requirement for the Reports of Condition and Income for this report date, attach your bank's completed signature page (or a photocopy or a computer-generated version of this page) to the hard-copy record of the data file submitted to the CDR that your bank must place in its files.

The appearance of your bank's hard-copy record of the submitted data file need not match exactly the appearance of the FFIEC's sample report forms, but should show at least the caption of each Call Report item and the reported amount.

For technical assistance with submissions to the CDR, please contact the CDR Help Desk by telephone at (888) CDR-3111, by fax at (301) 495-7864, or by e-mail at CDR.Help@ffiec.gov.

Clover Community Bank

Legal Title of Bank (RSSD 9017)

Clover

City (RSSD 9130)

SC

State Abbrev. (RSSD 9200)

29710

Zip Code (RSSD 9220)

FDIC Certificate Number

27055

(RSSD 9050)

Consolidated Reports of Condition and Income for A Bank With Domestic Offices Only

Table of Contents

Signature Page _____	Cover	Schedule RC-B - Securities _____	RC-3, 4, 5, 6
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Schedule RI - Income Statement _____	RI-1, 2, 3	Part II. Loans to Small Businesses and Small Farms (to be completed for the June report only) _____	RC-10ab, 10b
Schedule RI-A - Changes in Equity Capital _____	RI-4	Schedule RC-D - Trading Assets and Liabilities (to be completed only by selected banks) _____	RC-11, 12, 13
Schedule RI-B - Charge-offs and Recoveries on Loans and Leases and Changes in Allowance for Loan and Lease Losses _____	RI-4, 5, 6	Schedule RC-E - Deposit Liabilities _____	RC-14, 15
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Schedule RC - Balance Sheet _____	RC-1, 2	Schedule RC-K - Quarterly Averages _____	RC-17
Schedule RC-A - Cash and Balances Due From Depository Institutions (to be completed only by selected banks) _____	RC-3	Schedule RC-L - Derivatives and Off-Balance Sheet Items _____	RC-18, 19
Disclosure of Estimated Burden		Schedule RC-M - Memoranda _____	RC-20, 21
The estimated average burden associated with this information collection is 40.0 hours per respondent and is estimated to vary from 16 to 635 hours per response, depending on individual circumstances. Burden estimates include the time for reviewing instructions, gathering and maintaining data in the required form, and completing the information collection, but exclude the time for compiling and maintaining business records in the normal course of a respondent's activities. A Federal agency may not conduct or sponsor, and an organization (or a person) is not required to respond to a collection of information, unless it displays a currently valid OMB control number. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503, and to one of the following:		Schedule RC-N - Past Due and Nonaccrual Loans, Leases, and Other Assets _____	RC-22, 23, 24, 25
Secretary Board of Governors of the Federal Reserve System Washington, D.C. 20551		Schedule RC-O - Other Data for Deposit Insurance and FICO Assessments _____	RC-26
Legislative and Regulatory Analysis Division Office of the Comptroller of the Currency Washington, D.C. 20219		Schedule RC-P— 1-4 Family Residential Mortgage Banking Activities (to be completed only by selected banks) _____	RC-27
Assistant Executive Secretary Federal Deposit Insurance Corporation Washington, D.C. 20429		Schedule RC-Q—Financial Assets and Liabilities Measured at Fair Value (to be completed only by selected banks) _____	RC-28
		Schedule RC-R - Regulatory Capital _____	RC-29, 30, 31, 32
		Schedule RC-S - Servicing, Securitization, and Asset Sale Activities _____	RC-33, 34, 35
		Schedule RC-T - Fiduciary and Related Services _____	RC-36, 37, 38
		Optional Narrative Statement Concerning the Amounts Reported in the Reports of Condition and Income _____	RC-39

For information or assistance, National and State nonmember banks should contact the FDIC's Data Collection and Analysis Section, 550 17th Street, NW, Washington, D.C. 20429, toll free on (800) 688-FDIC(3342), Monday through Friday between 8:00 a.m. and 5:00 p.m., Eastern time. State member banks should contact their Federal Reserve District Bank.

Contact Information for the Reports of Condition and Income

To facilitate communication between the Agencies and the bank concerning the Reports of Condition and Income, please provide contact information for (1) the Chief Financial Officer (or equivalent) of the bank signing the reports for this quarter and (2) the person at the bank - other than the Chief Financial Officer (or equivalent) - to whom questions about the reports should be directed. If the Chief Financial Officer (or equivalent) is the primary contact for questions about the reports, please provide contact information for another person at the bank who will serve as a secondary contact for communications between the Agencies and the bank concerning the Reports of Condition and Income. Enter "none" for the contact's e-mail address or fax number if not available. Contact information for the Reports of Condition and Income is for the confidential use of the Agencies and will not be released to the public.

Chief Financial Officer (or Equivalent) Signing the Reports

Jerry L. Glenn
Name (TEXT C490)
Vice President & CFO
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jglenn@clovercommunitybank.com
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(803) 222-8612
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FAX: Area code/phone number (TEXT C494)

Other Person to Whom Questions about the Reports Should be Directed

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President & CEO
Title (TEXT C496)
gthompson@clovercommunitybank.com
E-mail Address (TEXT 4086)
(803) 222-7660
Telephone: Area code/phone number/extension (TEXT 8902)
(803) 222-2922
FAX: Area code/phone number (TEXT 9116)

Emergency Contact Information

This information is being requested so the Agencies can distribute critical, time sensitive information to emergency contacts at banks. Please provide primary contact information for a senior official of the bank who has decision-making authority. Also provide information for a secondary contact if available. Enter "none" for the contact's e-mail address or fax number if not available. Emergency contact information is for the confidential use of the Agencies and will not be released to the public.

Primary Contact

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(803) 222-2922
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Secondary Contact

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EVP & COO
Title (TEXT C372)
gbolin@clovercommunitybank.com
E-mail Address (TEXT C373)
(803) 222-7660
Telephone: Area code/phone number/extension (TEXT C374)
(803) 222-2922
FAX: Area code/phone number (TEXT C375)

USA PATRIOT Act Section 314(a) Anti-Money Laundering Contact Information

This information is being requested to identify points-of-contact who are in charge of your depository institution's Section 314(a) searches and who could be contacted by federal law enforcement officers for additional information related to anti-terrorist financing and anti-money laundering. Please provide information for a secondary contact if available. Information for a third and fourth contact may be provided at the bank's option. Enter "none" for the contact's e-mail address or fax number if not available. USA PATRIOT Act contact information is for the confidential use of the Agencies and the Financial Crimes Enforcement Network (FinCEN) and will not be released to the public.

Primary Contact

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VP & Compliance Officer

Title (TEXT C438)

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Telephone: Area code/phone number/extension (TEXT C440)

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Third Contact

Name (TEXT C870)

Title (TEXT C871)

E-mail Address (TEXT C872)

Telephone: Area code/phone number/extension (TEXT C873)

FAX: Area code/phone number (TEXT C874)**Fourth Contact**

Name (TEXT C875)

Title (TEXT C876)

E-mail Address (TEXT C877)

Telephone: Area code/phone number/extension (TEXT C878)

FAX: Area code/phone number (TEXT C879)

Consolidated Report of Income for the period January 1, 2008 – March 31, 2008

All Report of Income schedules are to be reported on a calendar year-to-date basis in thousands of dollars.

Schedule RI—Income Statement

Dollar Amounts in Thousands

	RIAD	BN	MM	Thou	
1. Interest Income:					
a. Interest and fee income on loans:					
(1) Loans secured by real estate:					
(a) Loans secured by 1-4 family residential properties	4435			435	1.a.1.a
(b) All other loans secured by real estate	4436			812	1.a.1.b
(2) Commercial and industrial loans	4012			223	1.a.2
(3) Loans to individuals for household, family, and other personal expenditures:					
(a) Credit cards	8485			5	1.a.3.a
(b) Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8486			88	1.a.3.b
(4) Loans to foreign governments and official institutions	4056			0	1.a.4
(5) All other loans (1)	4058			0	1.a.5
(6) Total interest and fee income on loans (sum of Items 1.a.(1)(a) through 1.a.(5))	4010			1,863	1.a.6
b. Income from lease financing receivables	4865			0	1.b
c. Interest income on balances due from depository institutions (2)	4115			0	1.c
d. Interest and dividend income on securities:					
(1) U.S. Treasury securities and U.S. Government agency obligations (excluding mortgage-backed securities)	8488			48	1.d.1
(2) Mortgage-backed securities	8489			119	1.d.2
(3) All other securities (includes securities issued by states and political subdivisions in the U.S.)	4060			89	1.d.3
e. Interest income from trading assets	4069			10	1.e
f. Interest income on federal funds sold and securities purchased under agreements to resell	4020			0	1.f
g. Other interest income	4518			0	1.g
h. Total interest income (sum of items 1.a.(6) through 1.g)	4107			1,929	1.h
2. Interest expense:					
a. Interest on deposits:					
(1) Transaction accounts (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts)	4508			7	2.a.1
(2) Nontransaction accounts:					
(a) Savings deposits (includes MMDAs)	0093			199	2.a.2.a
(b) Time deposits of \$100,000 or more	4517			155	2.a.2.b
(c) Time deposits of less than \$100,000	4518			305	2.a.2.c
b. Expense of federal funds purchased and securities sold under agreements to repurchase	4180			9	2.b
c. Interest on trading liabilities and other borrowed money	4185			28	2.c

(1) Includes interest and fee income on "Loans to depository institutions and acceptances of other banks," "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

(2) Includes interest income on time certificates of deposit not held for trading.

Schedule RI—Continued

	Year-to-date			
	RIAD	Bill Mil Thou		
Dollar Amounts in Thousands				
2. Interest expense (continued):				
d. Interest on subordinated notes and debentures	4200	0	2.d	
e. Total interest expense (sum of items 2.a through 2.d)	4073	703	2.e	
3. Net interest income (Item 1.h minus 2.e)			4074	1,226
4. Provision for loan and lease losses			4230	25
5. Noninterest income:				
a. Income from fiduciary activities (1)	4070	0	5.a	
b. Service charges on deposit accounts	4080	252	5.b	
c. Trading revenue (2)	A220	0	5.c	
d. (1) Fees and commissions from securities brokerage	C886	0	5.d.1	
(2) Investment banking, advisory, and underwriting fees and commissions	C888	0	5.d.2	
(3) Fees and commissions from annuity sales	C887	0	5.d.3	
(4) Underwriting income from insurance and reinsurance activities	C386	0	5.d.4	
(5) Income from other insurance activities	C387	0	5.d.5	
e. Venture capital revenue	B491	0	5.e	
f. Net servicing fees	B492	0	5.f	
g. Net securitization income	B493	0	5.g	
h. Not applicable				
i. Net gains (losses) on sales of loans and leases	5416	0	5.i	
j. Net gains (losses) on sales of other real estate owned	5415	0	5.j	
k. Net gains (losses) on sales of other assets (excluding securities)	B496	0	5.k	
l. Other noninterest income*	B497	46	5.l	
m. Total noninterest income (sum of items 5.a through 5.l)			4079	298
6. a. Realized gains (losses) on held-to-maturity securities			3521	0
b. Realized gains (losses) on available-for-sale securities			3196	0
7. Noninterest expense:				
a. Salaries and employee benefits	4135	853	7.a	
b. Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest)	4217	143	7.b	
c. (1) Goodwill impairment losses	C216	0	7.c.1	
(2) Amortization expense and impairment losses for other intangible assets	C232	0	7.c.2	
d. Other noninterest expense*	4092	273	7.d	
e. Total noninterest expense (sum of items 7.a through 7.d)			4093	1,089
8. Income (loss) before income taxes and extraordinary items and other adjustments (item 3 plus or minus items 4, 5.m, 6.a, 6.b, and 7.e)			4301	430
9. Applicable income taxes (on item 8)			4302	128
10. Income (loss) before extraordinary items and other adjustments (item 8 minus item 9)			4300	302
11. Extraordinary items and other adjustments, net of income taxes*			4320	0
12. Net income (loss) (sum of items 10 and 11)			4340	302

* Describe on Schedule RI-E—Explanations

(1) For banks required to complete Schedule RC-T, items 12 through 19, income from fiduciary activities reported in Schedule RI, item 5.a, must equal the amount reported in Schedule RC-T, item 19.

(2) For banks required to complete Schedule RI, Memorandum item 8, trading revenue reported in Schedule RI, item 5.c, must equal the sum of Memorandum items 8.a through 8.e.

Schedule RI—Continued

Memoranda	Dollar Amounts in Thousands	Year-to-date		
		RIAD	Bl Mil Thou	
1. Interest expense incurred to carry tax-exempt securities, loans, and leases acquired after August 7, 1986, that is not deductible for federal income tax purposes		4513	0	M.1
2. Income from the sale and servicing of mutual funds and annuities (included in Schedule RI, item 8)		8431	0	M.2
3. Income on tax-exempt loans and leases to states and political subdivisions in the U.S. (included in Schedule RI, Items 1.a and 1.b)		4313	0	M.3
4. Income on tax-exempt securities issued by states and political subdivisions in the U.S. (included in Schedule RI, item 1.d.(3))		4507	74	M.4
5. Number of full-time equivalent employees at end of current period (round to nearest whole number)		4150	43	M.5
<i>Memorandum item 6 is to be completed by: (1)</i>				
• banks with \$300 million or more in total assets, and				
• banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans.				
6. Interest and fee income on loans to finance agricultural production and other loans to farmers (included in Schedule RI, item 1.a.(5))		4024	N/A	M.6
7. If the reporting bank has restated its balance sheet as a result of applying push down accounting this calendar year, report the date of the bank's acquisition (2)		9106	0	M.7
8. Trading revenue (from cash instruments and derivative instruments) (sum of Memorandum items 8.a through 8.e must equal Schedule RI, Item 5.c) (To be completed by banks that reported average trading assets (Schedule RC-K, item 7) of \$2 million or more for any quarter of the preceding calendar year.):				
a. Interest rate exposures		8757	N/A	M.8.a
b. Foreign exchange exposures		8758	N/A	M.8.b
c. Equity security and index exposures		8759	N/A	M.8.c
d. Commodity and other exposures		8760	N/A	M.8.d
e. Credit exposures		F186	N/A	M.8.e
9. Net gains (losses) recognized in earnings on credit derivatives that economically hedge credit exposures held outside the trading account:				
a. Net gains (losses) on credit derivatives held for trading		C889	0	M.9.a
b. Net gains (losses) on credit derivatives held for purposes other than trading		C890	0	M.9.b
10. <i>To be completed by banks with \$300 million or more in total assets: (1)</i> Credit losses on derivatives (see instructions)		A251	N/A	M.10
11. Does the reporting bank have a Subchapter S election in effect for federal income tax purposes for the current tax year?		RIAD	YES / NO	
		A530	NO	M.11
<i>Memorandum item 12 is to be completed by banks that are required to complete Schedule RC-C, part I, Memorandum items 8.b and 8.c.</i>				
12. Noncash income from negative amortization on closed-end loans secured by 1-4 family residential properties (included in Schedule RI, Item 1.a.(1)(a))		F228	N/A	M.12
<i>Memorandum item 13 is to be completed by banks that have elected to account for assets and liabilities under a fair value option.</i>				
13. Net gains (losses) recognized in earnings on assets and liabilities that are reported at fair value under a fair value option:				
a. Net gains (losses) on assets		F551	N/A	M.13.a
(1) Estimated net gains (losses) on loans attributable to changes in instrument-specific credit risk		F552	N/A	M.13.a.1
b. Net gains (losses) on liabilities		F553	N/A	M.13.b
(1) Estimated net gains (losses) on liabilities attributable to changes in instrument-specific credit risk		F554	N/A	M.13.b.1

(1) The asset size tests and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

(2) For example, a bank acquired on March 1, 2008, would report 2008/03/01.

Schedule RI-A—Changes in Equity Capital

Indicate decreases and losses in parentheses.

	Dollar Amounts in Thousands		RIAD	BI Mil Thou	
	RIAD	BI Mil Thou			
1. Total equity capital most recently reported for the December 31, 2007, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)	3217	9,964			1
2. Restatements due to corrections of material accounting errors and changes in accounting principles*	8507	0			2
3. Balance end of previous calendar year as restated (sum of items 1 and 2)	8508	9,964			3
4. Net income (loss) (must equal Schedule RI, item 12)	4340	302			4
5. Sale, conversion, acquisition, or retirement of capital stock, net (excluding treasury stock transactions)	8509	0			5
6. Treasury stock transactions, net	8510	0			6
7. Changes incident to business combinations, net	4356	0			7
8. LESS: Cash dividends declared on preferred stock	4470	0			8
9. LESS: Cash dividends declared on common stock	4460	0			9
10. Other comprehensive income (1)	8511	149			10
11. Other transactions with parent holding company* (not included in items 5, 6, 8, or 9 above)	4415	0			11
12. Total equity capital end of current period (sum of items 3 through 11) (must equal Schedule RC, item 28)	3210	10,416			12

* Describe on Schedule RI-E - Explanations.

(1) Includes changes in net unrealized holding gains (losses) on available-for-sale securities, changes in accumulated net gains (losses) on cash flow hedges, and pension and other postretirement plan-related changes other than net periodic benefit cost.

**Schedule RI-B—Charge-offs and Recoveries on Loans and Leases
and Changes in Allowance for Loan and Lease Losses****Part I. Charge-offs and Recoveries on Loans and Leases**

Part I includes charge-offs and recoveries through the allocated transfer risk reserve.

	(Column A) Charge-offs (1)		(Column B) Recoveries		
	Calendar year-to-date				
	RIAD	BI Mil Thou	RIAD	BI Mil Thou	
Dollar Amounts in Thousands					
1. Loans secured by real estate:					
a. Construction, land development, and other land loans:					
(1) 1-4 family residential construction loans	C891	115	C892	0	1.a.1
(2) Other construction loans and all land development and other land loans	C893	0	C894	0	1.a.2
b. Secured by farmland	3584	0	3585	0	1.b
c. Secured by 1-4 family residential properties:					
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5411	0	5412	0	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:					
(a) Secured by first liens	C234	5	C217	0	1.c.2.a
(b) Secured by junior liens	C235	0	C218	0	1.c.2.b
d. Secured by multifamily (5 or more) residential properties	3588	0	3589	0	1.d
e. Secured by nonfarm nonresidential properties:					
(1) Loans secured by owner-occupied nonfarm nonresidential properties	C895	0	C896	0	1.e.1
(2) Loans secured by other nonfarm nonresidential properties	C897	0	C898	0	1.e.2
2. Loans to depository institutions and acceptances of other banks	4481	0	4482	0	2
3. Not applicable					
4. Commercial and industrial loans	4638	0	4608	0	4
5. Loans to individuals for household, family, and other personal expenditures:					
a. Credit cards	B514	0	B515	0	5.a
b. Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	B516	11	B517	2	5.b
6. Loans to foreign governments and official institutions	4643	0	4627	0	6
7. All other loans (2)	4644	0	4628	0	7
8. Lease financing receivables	4266	0	4267	0	8
9. Total (sum of items 1 through 8)	4635	131	4605	2	9

(1) Include write-downs arising from transfers of loans to a held-for-sale account.

(2) Includes charge-offs and recoveries on "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

Schedule RI-B Continued

Part I. Continued

Memoranda

Dollar Amounts in Thousands

	(Column A) Charge-offs (1)		(Column B) Recoveries		
	Calendar year-to-date				
	RIAD	BE MI Thou	RIAD	BE MI Thou	
1. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RI-B, part I, items 4 and 7, above	5409	0	5410	0	M.1
<i>2. Memorandum items 2.a through 2.d are to be completed by banks with \$300 million or more in total assets: (2)</i>					
a. Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RI-B, part I, item 1, above)	4652	N/A	4662	N/A	M.2.a
b. Loans to and acceptances of foreign banks (included in Schedule RI-B, part I, item 2, above)	4654	N/A	4664	N/A	M.2.b
c. Commercial and industrial loans to non-U.S. addressees (domicile) (included in Schedule RI-B, part I, item 4, above)	4646	N/A	4618	N/A	M.2.c
d. Leases to individuals for household, family, and other personal expenditures (included in Schedule RI-B, part I, item 8, above)	F185	N/A	F187	N/A	M.2.d
<i>3. Memorandum item 3 is to be completed by: (2)</i>					
• banks with \$300 million or more in total assets, and					
• banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans:					
Loans to finance agricultural production and other loans to farmers (included in Schedule RI-B, part I, item 7, above)	4655	N/A	4665	N/A	M.3
<i>Memorandum item 4 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.</i>					
4. Uncollectible retail credit card fees and finance charges reversed against income (i.e., not included in charge-offs against the allowance for loan and lease losses)	C388			N/A	M.4

Calendar year-to-date	
RIAD	BE MI Thou
C388	N/A

(1) Include write-downs arising from transfers of loans to a held-for-sale account.

(2) The \$300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

Schedule RI-B Continued

Part II. Changes in Allowance for Loan and Lease Losses

	Dollar Amounts in Thousands	RIAD	Bl Mll Thou	
1. Balance most recently reported for the December 31, 2007, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)		8522	913	1
2. Recoveries (must equal part I, item 9, column B, above)		4605	2	2
3. LESS: Charge-offs (must equal part I, item 9, column A, above less Schedule RI-B, part II, item 4)		0079	131	3
4. LESS: Write-downs arising from transfers of loans to a held-for-sale account		5523	0	4
5. Provision for loan and lease losses (must equal Schedule RI, item 4)		4230	26	5
6. Adjustments* (see instructions for this schedule)		0233	0	6
7. Balance end of current period (sum of items 1, 2, 5, and 6, less items 3 and 4) (must equal Schedule RC, item 4.c)		3123	808	7

Memoranda	Dollar Amounts in Thousands	RIAD	Bl Mll Thou	
1. Allocated transfer risk reserve included in Schedule RI-B, part II, item 7, above <i>Memorandum items 2 and 3 are to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.</i>		C435	0	M.1
2. Separate valuation allowance for uncollectible retail credit card fees and finance charges		C389	N/A	M.2
3. Amount of allowance for loan and lease losses attributable to retail credit card fees and finance charges <i>Memorandum item 4 is to be completed by all banks.</i>		C390	N/A	M.3
4. Amount of allowance for post-acquisition losses on purchased impaired loans accounted for in accordance with AICPA Statement of Position 03-3 (included in Schedule RI-B, part II, item 7, above)		C781	0	M.4

* Describe on Schedule RI-E--Explanations.

Schedule RI-E—Explanations

Schedule RI-E is to be completed each quarter on a calendar year-to-date basis.

Detail all adjustments in Schedule RI-A and RI-B, all extraordinary items and other adjustments in Schedule RI, and all significant items of other noninterest income and other noninterest expense in Schedule RI. (See Instructions for details.)

Dollar Amounts in Thousands

		Year-to-date		
		RIAD	BF MH Thou	
1. Other noninterest income (from Schedule RI, item 5.i)				
Itemize and describe amounts greater than \$25,000 that exceed 3% of Schedule RI, item 5.i:				
TEXT				
a.	Income and fees from the printing and sale of checks	C013	0	1.a
b.	Earnings on/increase in value of cash surrender value of life insurance	C014	28	1.b
c.	Income and fees from automated teller machines (ATMs)	C016	4	1.c
d.	Rent and other income from other real estate owned	4042	0	1.d
e.	Safe deposit box rent	C015	8	1.e
f.	Net change in the fair values of financial instruments accounted for under a fair value option	F229	0	1.f
g.	Bank card and credit card interchange fees	F555	0	1.g
h.	4461	4461	0	1.h
i.	4462	4462	0	1.i
j.	4463	4463	0	1.j
2. Other noninterest expense (from Schedule RI, item 7.d)				
Itemize and describe amounts greater than \$25,000 that exceed 3% of Schedule RI, item 7.d:				
TEXT				
a.	Data processing expenses	C017	0	2.a
b.	Advertising and marketing expenses	0497	16	2.b
c.	Directors' fees	4136	18	2.c
d.	Printing, stationery, and supplies	C018	28	2.d
e.	Postage	8403	16	2.e
f.	Legal fees and expenses	4141	8	2.f
g.	FDIC deposit insurance assessments	4146	3	2.g
h.	Accounting and auditing expenses	F556	16	2.h
i.	Consulting and advisory expenses	F557	0	2.i
j.	Automated teller machine (ATM) and interchange expenses	F558	46	2.j
k.	Telecommunications expenses	F559	17	2.k
l.	4464	4464	0	2.l
m.	4467	4467	0	2.m
n.	4468	4468	0	2.n
3. Extraordinary items and other adjustments and applicable income tax effect (from Schedule RI, item 11) (itemize and describe all extraordinary items and other adjustments):				
TEXT				
a.(1)	4469	4469	0	3.a.1
(2)	Applicable income tax effect	4486	0	3.a.2
b.(1)	4487	4487	0	3.b.1
(2)	Applicable income tax effect	4488	0	3.b.2
c.(1)	4489	4489	0	3.c.1
(2)	Applicable income tax effect	4491	0	3.c.2

Clover Community Bank

Legal Title of Bank

Clover

City

SC 29710

State Zip Code

FDIC Certificate Number: 27055

Submitted to CDR on 4/29/2008 at 4:00 PM

Consolidated Report of Condition for Insured Commercial and State-Chartered Savings Banks for March 31, 2008

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

Schedule RC—Balance Sheet

Dollar Amounts in Thousands

	RCON	BI	MI	Thou	
ASSETS					
1. Cash and balances due from depository institutions (from Schedule RC-A):					
a. Noninterest-bearing balances and currency and coin (1)	0081			3,296	1.a
b. Interest-bearing balances (2)	0071			892	1.b
2. Securities:					
a. Held-to-maturity securities (from Schedule RC-B, column A)	1754			0	2.a
b. Available-for-sale securities (from Schedule RC-B, column D)	1773			20,869	2.b
3. Federal funds sold and securities purchased under agreements to resell:					
a. Federal funds sold	8987			3,181	3.a
b. Securities purchased under agreements to resell (3)	8989			0	3.b
4. Loans and lease financing receivables (from Schedule RC-C):					
a. Loans and leases held for sale				0	4.a
b. Loans and leases, net of unearned income	8528			86,983	4.b
c. LESS: Allowance for loan and lease losses	3123			809	4.c
d. Loans and leases, net of unearned income and allowance (item 4.b minus 4.c)	8529			86,174	4.d
5. Trading assets (from Schedule RC-D)	3545			0	5
6. Premises and fixed assets (including capitalized leases)	2145			2,333	6
7. Other real estate owned (from Schedule RC-M)	2150			1,174	7
8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M)	2130			0	8
9. Not Applicable					
10. Intangible assets:					
a. Goodwill	3163			0	10.a
b. Other intangible assets (from Schedule RC-M)	0426			0	10.b
11. Other assets (from Schedule RC-F)	2160			3,898	11
12. Total assets (sum of items 1 through 11)	2170			121,797	12

(1) Includes cash items in process of collection and unposted debits.

(2) Includes time certificates of deposit not held for trading.

(3) Includes all securities resale agreements, regardless of maturity.

Schedule RC - Continued

		Dollar Amounts in Thousands		RCON	8# M# Thou	
LIABILITIES						
13.	Deposits:					
a.	In domestic offices (sum of totals of columns A and C from Schedule RC-E)			2200	102,582	13.a
	(1) Noninterest-bearing (1)	6631	12,022			13.a.1
	(2) Interest-bearing	6636	90,560			13.a.2
b.	Not applicable					
14.	Federal funds purchased and securities sold under agreements to repurchase:					
a.	Federal funds purchased (2)			8993	0	14.a
b.	Securities sold under agreements to repurchase (3)			8995	0	14.b
15.	Trading liabilities (from Schedule RC-D)			3548	0	15
16.	Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases) (from Schedule RC-M)			3190	8,000	16
17. and 18.	Not applicable					
19.	Subordinated notes and debentures (4)			3200	0	19
20.	Other liabilities (from Schedule RC-G)			2930	800	20
21.	Total liabilities (sum of items 13 through 20)			2948	111,382	21
22.	Minority interest in consolidated subsidiaries			3000	0	22
EQUITY CAPITAL						
23.	Perpetual preferred stock and related surplus			3838	0	23
24.	Common stock			3230	1,264	24
25.	Surplus (exclude all surplus related to preferred stock)			3839	2,070	25
26. a.	Retained earnings			3632	6,908	26.a
b.	Accumulated other comprehensive income (5)			8530	173	26.b
27.	Other equity capital components (6)			A130	0	27
28.	Total equity capital (sum of items 23 through 27)			3210	10,415	28
29.	Total liabilities, minority interest, and equity capital (sum of items 21, 22, and 28)			3300	121,797	29

Memorandum

To be reported with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 2007

RCON	Number
6724	2

M.1

- | | |
|--|---|
| <p>1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank</p> <p>2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)</p> <p>3 = Attestation on bank management's assertion on the effectiveness of the bank's internal control over financial reporting by a certified public accounting firm</p> | <p>4 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)</p> <p>5 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)</p> <p>6 = Review of the bank's financial statements by external auditors</p> <p>7 = Compilation of the bank's financial statements by external auditors</p> <p>8 = Other audit procedures (excluding tax preparation work)</p> <p>9 = No external audit work</p> |
|--|---|

(1) Includes total demand deposits and noninterest-bearing time and savings deposits.
 (2) Report overnight Federal Home Loan Bank advances in Schedule RC, item 16, "Other borrowed money."
 (3) Includes all securities repurchase agreements, regardless of maturity.
 (4) Includes limited-life preferred stock and related surplus.
 (5) Includes net unrealized holding gains (losses) on available-for-sale securities, accumulated net gains (losses) on cash flow hedges, and minimum pension liability adjustments.
 (6) Includes treasury stock and unearned Employee Stock Ownership Plan shares.

Schedule RC-A—Cash and Balances Due From Depository Institutions

Schedule RC-A is to be completed only by banks with \$300 million or more in total assets.

Exclude assets held for trading.

	Dollar Amounts in Thousands		RCON	Bl Ml Thou	
	RCON	Bl Ml Thou			
1. Cash items in process of collection, unposted debits, and currency and coin:					
a. Cash items in process of collection and unposted debits	0020			N/A	1.a
b. Currency and coin	0080			N/A	1.b
2. Balances due from depository institutions in the U.S.:					
a. U.S. branches and agencies of foreign banks	0083			N/A	2.a
b. Other commercial banks in the U.S. and other depository institutions in the U.S.	0085			N/A	2.b
3. Balances due from banks in foreign countries and foreign central banks:					
a. Foreign branches of other U.S. banks	0073			N/A	3.a
b. Other banks in foreign countries and foreign central banks	0074			N/A	3.b
4. Balances due from Federal Reserve Banks	0090			N/A	4
5. Total (sum of items 1 through 4) (must equal Schedule RC, sum of items 1.a and 1.b)	0010			N/A	5

Schedule RC-B—Securities

Exclude assets held for trading.

Dollar Amounts in Thousands	Held-to-maturity				Available-for-sale				
	(Column A)		(Column B)		(Column C)		(Column D)		
	Amortized Cost		Fair Value		Amortized Cost		Fair Value		
	RCON	Bl Ml Thou	RCON	Bl Ml Thou	RCON	Bl Ml Thou	RCON	Bl Ml Thou	
1. U.S. Treasury securities	0211	0	0213	0	1286	0	1287	0	1
2. U.S. Government agency obligations (exclude mortgage-backed securities):									
a. Issued by U.S. Government-agencies (1)	1289	0	1290	0	1291	0	1293	0	2.a
b. Issued by U.S. Government-sponsored agencies (2)	1294	0	1295	0	1297	3,409	1298	3,475	2.b
3. Securities issued by states and political subdivisions in the U.S.	8496	0	8497	0	8498	7,796	8499	7,920	3

(1) Includes Small Business Administration "Guaranteed Loan Pool Certificates," U.S. Maritime Administration obligations, and Export-Import Bank participation certificates.

(2) Includes obligations (other than mortgage-backed securities) issued by the Farm Credit System, the Federal Home Loan Bank System, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Financing Corporation, Resolution Funding Corporation, the Student Loan Marketing Association, and the Tennessee Valley Authority.

Schedule RC-B—Continued

Dollar Amounts in Thousands	Held-to-maturity				Available-for-sale				
	(Column A)		(Column B)		(Column C)		(Column D)		
	Amortized Cost		Fair Value		Amortized Cost		Fair Value		
	RCON	Bl MI Thou	RCON	Bl MI Thou	RCON	Bl MI Thou	RCON	Bl MI Thou	
4. Mortgage-backed securities (MBS):									
a. Pass-through securities:									
(1) Guaranteed by GNMA	1698	0	1699	0	1701	0	1702	0	4.a.1
(2) Issued by FNMA and FHLMC	1703	0	1705	0	1706	9,237	1707	9,330	4.a.2
(3) Other pass-through securities	1709	0	1710	0	1711	0	1713	0	4.a.3
b. Other mortgage-backed securities (Include CMOs, REMICs, and stripped MBS):									
(1) Issued or guaranteed by FNMA, FHLMC, or GNMA	1714	0	1715	0	1716	144	1717	144	4.b.1
(2) Collateralized by MBS issued or guaranteed by FNMA, FHLMC, or GNMA	1718	0	1719	0	1731	0	1732	0	4.b.2
(3) All other mortgage-backed securities	1733	0	1734	0	1735	0	1736	0	4.b.3
5. Asset-backed securities (ABS)	C026	0	C988	0	C989	0	C027	0	5
6. Other debt securities:									
a. Other domestic debt securities	1737	0	1738	0	1739	0	1741	0	6.a
b. Foreign debt securities	1742	0	1743	0	1744	0	1746	0	6.b
7. Investments in mutual funds and other equity securities with readily determinable fair values (1)					A510	0	A511	0	7
8. Total (sum of items 1 through 7) (total of column A must equal Schedule RC, item 2.a) (total of column D must equal Schedule RC, item 2.b)	1754	0	1771	0	1772	20,586	1773	20,869	8

(1) Report Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock in Schedule RC-F, item 4.

Schedule RC-B—Continued

Memoranda

	Dollar Amounts in Thousands	RCON	Bl Mn Thou	
1. Pledged securities (1)		0416	4,617	M.1
2. Maturity and repricing data for debt securities (1, 2) (excluding those in nonaccrual status):				
a. Securities issued by the U.S. Treasury, U.S. Government agencies, and states and political subdivisions in the U.S.; other non-mortgage debt securities; and mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of: (3, 4)				
(1) Three months or less		A549	0	M.2.a.1
(2) Over three months through 12 months		A550	368	M.2.a.2
(3) Over one year through three years		A551	1,703	M.2.a.3
(4) Over three years through five years		A552	1,785	M.2.a.4
(5) Over five years through 15 years		A553	6,787	M.2.a.5
(6) Over 15 years		A554	773	M.2.a.6
b. Mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of: (3, 5)				
(1) Three months or less		A555	0	M.2.b.1
(2) Over three months through 12 months		A556	283	M.2.b.2
(3) Over one year through three years		A557	858	M.2.b.3
(4) Over three years through five years		A558	383	M.2.b.4
(5) Over five years through 15 years		A559	6,053	M.2.b.5
(6) Over 15 years		A560	1,753	M.2.b.6
c. Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS; exclude mortgage pass-through securities) with an expected average life of: (6)				
(1) Three years or less		A561	144	M.2.c.1
(2) Over three years		A562	0	M.2.c.2
d. Debt securities with a REMAINING MATURITY of one year or less (Included in Memorandum items 2.a through 2.c above)		A248	368	M.2.d
3. Amortized cost of held-to-maturity securities sold or transferred to available-for-sale or trading securities during the calendar year-to-date (report the amortized cost at date of sale or transfer)		1778	0	M.3
4. Structured notes (included in the held-to-maturity and available-for-sale accounts in Schedule RC-B, items 2, 3, 5, and 6):				
a. Amortized cost		8782	425	M.4.a
b. Fair value		8783	423	M.4.b

- (1) Includes held-to-maturity securities at amortized cost and available-for-sale securities at fair value.
- (2) Exclude investments in mutual funds and other equity securities with readily determinable fair values.
- (3) Report fixed rate debt securities by remaining maturity and floating rate debt securities by next repricing date.
- (4) Sum of Memorandum items 2.a.(1) through 2.a.(6) plus any nonaccrual debt securities in the categories of debt securities reported in Memorandum item 2.a that are included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, sum of items 1, 2, 3, 5, and 6, columns A and D, plus mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.
- (5) Sum of Memorandum items 2.b.(1) through 2.b.(6) plus any nonaccrual mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, item 4.a, sum of columns A and D, less the amount of mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.
- (6) Sum of Memorandum items 2.c.(1) and 2.c.(2) plus any nonaccrual "Other mortgage-backed securities" included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, item 4.b, sum of columns A and D.

Schedule RC-B—Continued

Memoranda (continued)

Dollar Amounts in Thousands	Held-to-maturity								Available-for-sale								
	(Column A) Amortized Cost				(Column B) Fair Value				(Column C) Amortized Cost				(Column D) Fair Value				
	RCON	Bil	Mil	Thou	RCON	Bil	Mil	Thou	RCON	Bil	Mil	Thou	RCON	Bil	Mil	Thou	
<i>Memorandum items 5.a through 5.f are to be completed by banks with \$1 billion or more in total assets. (1)</i>																	
5. Asset-backed securities (ABS)(for each column, sum of Memorandum items 5.a through 5.f must equal Schedule RC-B, item 5):																	
a. Credit card receivables	B838		N/A		B839		N/A		B840		N/A		B841		N/A		M.5.a
b. Home equity lines	B842		N/A		B843		N/A		B844		N/A		B845		N/A		M.5.b
c. Automobile loans	B846		N/A		B847		N/A		B848		N/A		B849		N/A		M.5.c
d. Other consumer loans	B850		N/A		B851		N/A		B852		N/A		B853		N/A		M.5.d
e. Commercial and industrial loans	B854		N/A		B855		N/A		B856		N/A		B857		N/A		M.5.e
f. Other	B858		N/A		B859		N/A		B860		N/A		B861		N/A		M.5.f

(1) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Loans and Lease Financing Receivables

Part I. Loans and Leases

Do not deduct the allowance for loan and lease losses or the allocated transfer risk risk reserve from amounts reported in this schedule. Report

- (1) loans and leases held for sale at the lower of cost or fair value,
 (2) loans and leases held for investment, net of unearned income, and
 (3) loans and leases accounted for at fair value under a fair value option.
 Exclude assets held for trading and commercial paper.

Dollar Amounts in Thousands

	(Column A) To Be Completed by Banks with \$300 Million or More in Total Assets (1)		(Column B) To Be Completed by All Banks		
	RCON	Bl M# Thou	RCON	Bl M# Thou	
1. Loans secured by real estate:					
a. Construction, land development, and other land loans:					
(1) 1-4 family residential construction loans			F158	7,303	1.a.1
(2) Other construction loans and all land development and other land loans			F159	6,941	1.a.2
b. Secured by farmland (including farm residential and other improvements)			1420	618	1.b
c. Secured by 1-4 family residential properties:					
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit			1797	10,085	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:					
(a) Secured by first liens			5367	16,527	1.c.2.a
(b) Secured by junior liens			5368	536	1.c.2.b
d. Secured by multifamily (5 or more) residential properties			1460	80	1.d
e. Secured by nonfarm nonresidential properties:					
(1) Loans secured by owner-occupied nonfarm nonresidential properties			F160	13,691	1.e.1
(2) Loans secured by other nonfarm nonresidential properties			F161	9,740	1.e.2
2. Loans to depository institutions and acceptances of other banks			1288	0	2
a. To commercial banks in the U.S.:					
(1) To U.S. branches and agencies of foreign banks	B532	N/A			2.a.1
(2) To other commercial banks in the U.S.	B533	N/A			2.a.2
b. To other depository institutions in the U.S.	B534	N/A			2.b
c. To banks in foreign countries:					
(1) To foreign branches of other U.S. banks	B536	N/A			2.c.1
(2) To other banks in foreign countries	B537	N/A			2.c.2
3. Loans to finance agricultural production and other loans to farmers			1590	16	3
4. Commercial and industrial loans			1766	17,097	4
a. To U.S. addressees (domicile)	1763	N/A			4.a
b. To non-U.S. addressees (domicile)	1764	N/A			4.b
5. Not applicable					
6. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):					
a. Credit cards			B538	79	6.a
b. Other revolving credit plans			B539	325	6.b
c. Other consumer loans (includes single payment, installment, and all student loans)			2011	4,094	6.c
7. Loans to foreign governments and official institutions (including foreign central banks)			2081	0	7
8. Obligations (other than securities and leases) of states and political subdivisions in the U.S.			2107	0	8
9. Other Loans			1563	0	9
a. Loans for purchasing or carrying securities (secured and unsecured)	1545	N/A			9.a
b. All other loans (exclude consumer loans)	1564	N/A			9.b

(1) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Continued

Part I. Continued

	(Column A) To Be Completed by Banks with \$300 Million or More in Total Assets (1)			(Column B) To Be Completed by All Banks		
	RCON	Bl MI Thou		RCON	Bl MI Thou	
10. Lease financing receivables (net of unearned income)			2165			0
a. Leases to individuals for household, family, and other personal expenditures (i.e., consumer leases)	F162	N/A				
b. All other leases	F163	N/A				
11. LESS: Any unearned income on loans reflected in Items 1-9 above			2123			149
12. Total loans and leases, net of unearned income (sum of Items 1 through 10 minus Item 11) (must equal Schedule RC, sum of Items 4.a and 4.b)			2122			88,983

Memoranda

Dollar Amounts in Thousands

	RCON	Bl MI Thou	
1. Loans and leases restructured and in compliance with modified terms (Included in Schedule RC-C, part I, and not reported as past due or nonaccrual in Schedule RC-N, Memorandum item 1):			
a. Loans secured by 1-4 family residential properties	F576	0	M.1.a
b. Other loans and all leases (exclude loans to individuals for household, family, and other personal expenditures)	1616	0	M.1.b
2. Maturity and repricing data for loans and leases (excluding those in nonaccrual status):			
a. Closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B, above) with a remaining maturity or next repricing date of: (1, 2)			
(1) Three months or less	A564	1,835	M.2.a.1
(2) Over three months through 12 months	A565	3,009	M.2.a.2
(3) Over one year through three years	A566	3,782	M.2.a.3
(4) Over three years through five years	A567	7,011	M.2.a.4
(5) Over five years through 15 years	A568	889	M.2.a.5
(6) Over 15 years	A569	0	M.2.a.6
b. All loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column B, above) EXCLUDING closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B, above) with a remaining maturity or next repricing date of: (1, 3)			
(1) Three months or less	A570	28,835	M.2.b.1
(2) Over three months through 12 months	A571	6,638	M.2.b.2
(3) Over one year through three years	A572	13,448	M.2.b.3
(4) Over three years through five years	A573	14,023	M.2.b.4
(5) Over five years through 15 years	A574	7,058	M.2.b.5
(6) Over 15 years	A575	504	M.2.b.6
c. Loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column B, above) with a REMAINING MATURITY of one year or less (excluding those in nonaccrual status)	A247	25,800	M.2.c

- (1) Report fixed rate loans and leases by remaining maturity and floating rate loans by next repricing date.
- (2) Sum of Memorandum items 2.a.(1) through 2.a.(6) plus total nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, part I, item 1.c.(2)(a), column B.
- (3) Sum of Memorandum items 2.b.(1) through 2.b.(6) plus total nonaccrual loans and leases from Schedule RC-N, sum of items 1 through 8, column C, minus nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total loans and leases from Schedule RC-C, part I, sum of items 1 through 10, column B, minus total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, part I, item 1.c.(2)(a), column B.

Schedule RC-C—Continued

Part I. Continued

Memoranda — Continued

Dollar Amounts in Thousands

	RCON	BH MI Thou	
3. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) Included in Schedule RC-C, part I, items 4 and 9, column B (4)	2746	0	M.3
4. Adjustable rate closed-end loans secured by first liens on 1-4 family residential properties (included in Schedule RC-C, part I, item 1.c.(2)(a), column B)	5370	0	M.4
5. To be completed by banks with \$300 million or more in total assets: (5) Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RC-C, part I, items 1.a through 1.e, column B)	8837	N/A	M.5
<i>Memorandum item 6 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.</i>			
6. Outstanding credit card fees and finance charges included in Schedule RC-C, part I, item 6.a.	C391	N/A	M.6
<i>Memorandum item 7 is to be completed by all banks.</i>			
7. Purchased impaired loans held for investment accounted for in accordance with AICPA Statement of Position 03-3 (exclude loans held for sale):			
a. Outstanding balance	C779	0	M.7.a
b. Carrying amount included in Schedule RC-C, part I, items 1 through 9	C780	0	M.7.b
8. Closed-end loans with negative amortization features secured by 1-4 family residential properties:			
a. Total carrying amount of closed-end loans with negative amortization features secured by 1-4 family residential properties (included in Schedule RC-C, part I, items 1.c.(2)(a) and (b))	F230	0	M.8.a
<i>Memorandum items 8.b and 8.c are to be completed by banks that had closed-end loans with negative amortization features secured by 1-4 family residential properties (as reported in Schedule RC-C, part I, Memorandum item 8.a.) as of December 31, 2007, that exceeded the lesser of \$100 million or 5 percent of total loans and leases, net of unearned income (as reported in Schedule RC-C, part I, item 12, column B).</i>			
b. Total maximum remaining amount of negative amortization contractually permitted on closed-end loans secured by 1-4 family residential properties	F231	N/A	M.8.b
c. Total amount of negative amortization on closed-end loans secured by 1-4 family residential properties included in the carrying amount reported in Memorandum item 8.a above	F232	N/A	M.8.c
9. Loans secured by 1-4 family residential properties in process of foreclosure (included in Schedule RC-C, part I, items 1.c.(1), 1.c.(2)(a), and 1.c.(2)(b))	F577	0	M.9
10. Loans measured at fair value (included in Schedule RC-C, part I, items 1 through 9):			
a. Loans secured by real estate:			
(1) Construction, land development, and other land loans	F578	0	M.10.a.1
(2) Secured by farmland (including farm residential and other improvements)	F579	0	M.10.a.2
(3) Secured by 1-4 family residential properties:			
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F580	0	M.10.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:			
(1) Secured by first liens	F581	0	M.10.a.3.b.1
(2) Secured by junior liens	F582	0	M.10.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F583	0	M.10.a.4
(5) Secured by nonfarm nonresidential properties	F584	0	M.10.a.5
b. Commercial and industrial loans	F585	0	M.10.b

(4) Exclude loans secured by real estate that are included in Schedule RC-C, part I, items 1.a through 1.e, column B.

(5) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Continued**Part I. Continued**

Memoranda — Continued

Dollar Amounts in Thousands

	RCON	Bil Mil Thou	
10. c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):			
(1) Credit cards	F586	0	M.10.c.1
(2) Other revolving credit plans	F587	0	M.10.c.2
(3) Other consumer loans (Includes single payment, installment, and all student loans)	F588	0	M.10.c.3
d. Other loans	F589	0	M.10.d
11. Unpaid principal balance of loans measured at fair value (reported in Schedule RC-C, part I, Memorandum Item 10):			
a. Loans secured by real estate:			
(1) Construction, land development, and other land loans	F590	0	M.11.a.1
(2) Secured by farmland (Including farm residential and other improvements)	F591	0	M.11.a.2
(3) Secured by 1-4 family residential properties:			
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F592	0	M.11.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:			
(1) Secured by first liens	F593	0	M.11.a.3.b.1
(2) Secured by junior liens	F594	0	M.11.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F595	0	M.11.a.4
(5) Secured by nonfarm nonresidential properties	F596	0	M.11.a.5
b. Commercial and industrial loans	F597	0	M.11.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):			
(1) Credit cards	F598	0	M.11.c.1
(2) Other revolving credit plans	F599	0	M.11.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)	F600	0	M.11.c.3
d. Other loans	F601	0	M.11.d

Schedule RC-D - Trading Assets and Liabilities

Schedule RC-D is to be completed by banks that reported average trading assets (Schedule RC-K, item 7) of \$2 million or more in any of the four preceding calendar quarters.

	Dollar Amounts in Thousands	RCON	Bl MI Thou	
ASSETS				
1. U.S. Treasury securities		3531	N/A	1
2. U.S. Government agency obligations (exclude mortgage-backed securities)		3532	N/A	2
3. Securities issued by states and political subdivisions in the U.S.		3533	N/A	3
4. Mortgage-backed securities (MBS):				
a. Pass-through securities issued or guaranteed by FNMA, FHLMC, or GNMA		3534	N/A	4.a
b. Other mortgage-backed securities issued or guaranteed by FNMA, FHLMC, or GNMA (Include CMOs, REMICs, and stripped MBS)		3535	N/A	4.b
c. All other mortgage-backed securities		3536	N/A	4.c
5. Other debt securities		3537	N/A	5
6. Loans:				
a. Loans secured by real estate:				
(1) Construction, land development, and other land loans		F604	N/A	6.a.1
(2) Secured by farmland (including farm residential and other improvements)		F605	N/A	6.a.2
(3) Secured by 1-4 family residential properties:				
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit		F606	N/A	6.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:				
(1) Secured by first liens		F607	N/A	6.a.3.b.1
(2) Secured by junior liens		F611	N/A	6.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties		F612	N/A	6.a.4
(5) Secured by nonfarm nonresidential properties		F613	N/A	6.a.5
b. Commercial and industrial loans		F614	N/A	6.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):				
(1) Credit cards		F615	N/A	6.c.1
(2) Other revolving credit plans		F616	N/A	6.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)		F617	N/A	6.c.3
d. Other loans		F618	N/A	6.d
7. and 8. Not applicable				
9. Other trading assets		3541	N/A	9
10. Not applicable				
11. Derivatives with a positive fair value		3543	N/A	11
12. Total trading assets (sum of items 1 through 11) (must equal Schedule RC, item 5)		3545	N/A	12
LIABILITIES				
13. a. Liability for short positions		3546	N/A	13.a
b. Other trading liabilities		F624	N/A	13.b
14. Derivatives with a negative fair value		3547	N/A	14
15. Total trading liabilities (sum of items 13.a through 14) (must equal Schedule RC, item 15)		3548	N/A	15

Schedule RC-D - Continued

Memoranda

	Dollar Amounts in Thousands		RCON	BM Mil Thou	
1. Unpaid principal balance of loans measured at fair value (reported in Schedule RC-D, items 6.a.(1) through 6.d):					
a. Loans secured by real estate:					
(1) Construction, land development, and other land loans	F625	N/A			M.1.a.1
(2) Secured by farmland (including farm residential and other improvements)	F626	N/A			M.1.a.2
(3) Secured by 1-4 family residential properties:					
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F627	N/A			M.1.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:					
(1) Secured by first liens	F628	N/A			M.1.a.3.b.1
(2) Secured by junior liens	F629	N/A			M.1.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F630	N/A			M.1.a.4
(5) Secured by nonfarm nonresidential properties	F631	N/A			M.1.a.5
b. Commercial and industrial loans	F632	N/A			M.1.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (Includes purchased paper):					
(1) Credit cards	F633	N/A			M.1.c.1
(2) Other revolving credit plans	F634	N/A			M.1.c.2
(3) Other consumer loans (Includes single payment, installment, and all student loans)	F635	N/A			M.1.c.3
d. Other loans	F636	N/A			M.1.d
2. Not applicable					
3. Loans measured at fair value that are past due 90 days or more:(1)					
(a) Fair value	F639	N/A			M.3.a
(b) Unpaid principal balance	F640	N/A			M.3.b
<i>Memorandum items 4 through 10 are to be completed by banks that reported average trading assets (Schedule RC-K, item 7) of \$1 billion or more in any of the four preceding calendar quarters.(1)</i>					
4. Asset-backed securities:					
a. Residential mortgage-backed securities	F641	N/A			M.4.a
b. Commercial mortgage-backed securities	F642	N/A			M.4.b
c. Credit card receivables	F643	N/A			M.4.c
d. Home equity lines	F644	N/A			M.4.d
e. Automobile loans	F645	N/A			M.4.e
f. Other consumer loans	F646	N/A			M.4.f
g. Commercial and industrial loans	F647	N/A			M.4.g
h. Other	F648	N/A			M.4.h
5. Collateralized debt obligations:					
a. Synthetic	F649	N/A			M.5.a
b. Other	F650	N/A			M.5.b
6. Retained beneficial interests in securitizations (first-loss or equity tranches)	F651	N/A			M.6
7. Equity securities:					
a. Readily determinable fair values	F652	N/A			M.7.a
b. Other	F653	N/A			M.7.b
8. Loans pending securitization	F654	N/A			M.8

(1) NOTE: Completion of Memorandum items 3.a and 3.b and Memorandum items 4 through 10 of Schedule RC-D is optional for the March 31, 2008, report data only. Memorandum items 3.a and 3.b must be completed by all banks and Memorandum items 4 through 10 must be completed by all banks that meet the \$1 billion reporting threshold beginning June 30, 2008.

Schedule RC-D - Continued

Memoranda - Continued

Dollar Amounts in Thousands

RCON	BH	MII	Thou
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9. Other trading assets (Itemize and describe amounts included in Schedule RC-D, item 9, that are greater than \$25,000 and exceed 25% of the item):

TEXT

a.	F655			F655	N/A	M.9.a
b.	F656			F656	N/A	M.9.b
c.	F657			F657	N/A	M.9.c

10. Other trading liabilities (Itemize and describe amounts included in Schedule RC-D, item 13.b, that are greater than \$25,000 and exceed 25% of the item):

TEXT

a.	F658			F658	N/A	M.10.a
b.	F659			F659	N/A	M.10.b
c.	F660			F660	N/A	M.10.c

Schedule RC-E—Deposit Liabilities

Dollar Amounts in Thousands	Transaction Accounts				Nontransaction Accounts			
	(Column A)		(Column B)		(Column C)			
	Total transaction accounts (Including total demand deposits)		Memo: Total demand deposits (Included in column A)		Total nontransaction accounts (Including MMDAs)			
	RCON	BI MI Thou	RCON	BI MI Thou	RCON	BI MI Thou	RCON	BI MI Thou
Deposits of:								
1. Individuals, partnerships, and corporations (include all certified and official checks)	8549	24,663			8550	73,248		1
2. U.S. Government	2202	293			2520	778		2
3. States and political subdivisions in the U.S.	2203	3,604			2530	0		3
4. Commercial banks and other depository institutions in the U.S.	8551	0			8552	0		4
5. Banks in foreign countries	2213	0			2236	0		5
6. Foreign governments and official institutions (including foreign central banks)	2216	0			2377	0		6
7. Total (sum of items 1 through 6) (sum of columns A and C must equal Schedule RC, item 13.a)	2215	28,560	2210	12,022	2385	74,022		7

Memoranda

Dollar Amounts in Thousands	RCON	BI MI Thou	
1. Selected components of total deposits (i.e., sum of item 7, columns A and C):			
a. Total Individual Retirement Accounts (IRAs) and Keogh Plan accounts	6835	7,137	M.1.a
b. Total brokered deposits	2365	0	M.1.b
c. Fully insured brokered deposits (Included in Memorandum item 1.b above): (1)			
(1) Brokered deposits issued in denominations of less than \$100,000	2343	0	M.1.c.1
(2) Brokered deposits issued in denominations of \$100,000 and certain brokered retirement deposit accounts	2344	0	M.1.c.2
d. Maturity data for brokered deposits:			
(1) Brokered deposits issued in denominations of less than \$100,000 with a remaining maturity of one year or less (Included in Memorandum item 1.c.(1) above)	A243	0	M.1.d.1
(2) Brokered deposits issued in denominations of \$100,000 or more with a remaining maturity of one year or less (included in Memorandum item 1.b above)	A244	0	M.1.d.2
e. Preferred deposits (uninsured deposits of states and political subdivisions in the U.S. reported in item 3 above which are secured or collateralized as required under state law) (to be completed for the December report only)	5590	N/A	M.1.e
2. Components of total nontransaction accounts (sum of Memorandum items 2.a through 2.c must equal item 7, column C above):			
a. Savings deposits:			
(1) Money market deposit accounts (MMDAs)	6810	20,036	M.2.a.1
(2) Other savings deposits (excludes MMDAs)	0352	12,061	M.2.a.2
b. Total time deposits of less than \$100,000	6648	25,171	M.2.b
c. Total time deposits of \$100,000 or more	2604	16,754	M.2.c
(1) Individual Retirement Accounts (IRAs) and Keogh Plan accounts included in Memorandum item 2.c, "Total time deposits of \$100,000 or more," above	F233	0	M.2.c.1

(1) Report brokered retirement deposit accounts eligible for \$250,000 in deposit insurance coverage in Memorandum item 1.c.(1) only if they have been issued in denominations of less than \$100,000 (see instructions). Report brokered retirement deposit accounts in Memorandum item 1.c.(2) if they have been issued either in denominations of exactly \$100,000 through exactly \$250,000 or in denominations greater than \$250,000 and participated out by the broker in shares of exactly \$100,000 through exactly \$250,000 or less.

Schedule RC-E—Continued

Memoranda (continued)

	Dollar Amounts in Thousands	RCON	\$ Mil Thou	
3. Maturity and repricing data for time deposits of less than \$100,000:				
a. Time deposits of less than \$100,000 with a remaining maturity or next repricing date of: (1, 2)				
(1) Three months or less		A579	10,861	M.3.a.1
(2) Over three months through 12 months		A580	12,358	M.3.a.2
(3) Over one year through three years		A581	1,504	M.3.a.3
(4) Over three years		A582	358	M.3.a.4
b. Time deposits of less than \$100,000 with a REMAINING MATURITY of one year or less (included in Memorandum items 3.a.(1) and 3.a.(2) above) (3)		A241	23,118	M.3.b
4. Maturity and repricing data for time deposits of \$100,000 or more:				
a. Time deposits of \$100,000 or more with a remaining maturity or next repricing date of: (1, 4)				
(1) Three months or less		A584	6,975	M.4.a.1
(2) Over three months through 12 months		A585	9,445	M.4.a.2
(3) Over one year through three years		A586	100	M.4.a.3
(4) Over three years		A587	235	M.4.a.4
b. Time deposits of \$100,000 or more with a REMAINING MATURITY of one year or less (included in Memorandum items 4.a.(1) and 4.a.(2) above) (3)		A242	16,314	M.4.b

- (1) Report fixed rate time deposits by remaining maturity and floating rate time deposits by next repricing date.
- (2) Sum of Memorandum items 3.a.(1) through 3.a.(4) must equal Schedule RC-E, Memorandum item 2.b.
- (3) Report both fixed and floating rate time deposits by remaining maturity. Exclude floating rate time deposits with a next repricing date of one year or less that have a remaining maturity of over one year.
- (4) Sum of Memorandum items 4.a.(1) through 4.a.(4) must equal Schedule RC-E, Memorandum item 2.c.

Schedule RC-F—Other Assets

		Dollar Amounts in Thousands		RCON	Bl Mtl Thou	
1.	Accrued interest receivable (1)			B556	508	1
2.	Net deferred tax assets (2)			2148	4	2
3.	Interest-only strips receivable (not in the form of a security) (3) on:—					
a.	Mortgage loans			A519	0	3.a
b.	Other financial assets			A520	0	3.b
4.	Equity securities that DO NOT have readily determinable fair values (4)			1752	623	4
5.	Life insurance assets			C009	2,478	5
6.	All other assets (itemize and describe amounts greater than \$25,000 that exceed 25% of this item)			2168	285	6
	TEXT					
a.	Prepaid Expenses	2166	285			6.a
b.	Repossessed personal property (including vehicles)	1578	0			6.b
c.	Derivatives with a positive fair value held for purposes other than trading	C010	0			6.c
d.	Retained interests in accrued interest receivable related to securitized credit cards	C436	0			6.d
e.	3549	3549	0			6.e
f.	3550	3550	0			6.f
g.	3551	3551	0			6.g
7.	Total (sum of items 1 through 6) (must equal Schedule RC, item 11)			2160	3,898	7

Schedule RC-G—Other Liabilities

		Dollar Amounts in Thousands		RCON	Bl Mtl Thou	
1.	a. Interest accrued and unpaid on deposits (5)			3645	681	1.a
	b. Other expenses accrued and unpaid (includes accrued income taxes payable)			3646	69	1.b
2.	Net deferred tax liabilities (2)			3049	0	2
3.	Allowance for credit losses on off-balance sheet credit exposures			B557	0	3
4.	All other liabilities (itemize and describe amounts greater than \$25,000 that exceed 25% of this item)			2938	50	4
	TEXT					
a.	Accounts Payable	3066	15			4.a
b.	Deferred compensation liabilities	C011	35			4.b
c.	Dividends declared but not yet payable	2932	0			4.c
d.	Derivatives with a negative fair value held for purposes other than trading	C012	0			4.d
e.	3552	3552	0			4.e
f.	3553	3553	0			4.f
g.	3554	3554	0			4.g
5.	Total (sum of items 1 through 4) (must equal Schedule RC, item 20)			2930	800	5

(1) Includes accrued interest receivable on loans, leases, debt securities, and other interest-bearing assets.

(2) See discussion of deferred income taxes in Glossary entry on "income taxes."

(3) Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule RC, item 2.b, or as trading assets in Schedule RC, item 5, as appropriate.

(4) Includes Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.

(5) For savings banks, include "dividends" accrued and unpaid on deposits.

Schedule RC-K—Quarterly Averages (1)

Dollar Amounts in Thousands

	RCON	Bil Mil Thou	
ASSETS			
1. Interest-bearing balances due from depository institutions	3381	899	1
2. U.S. Treasury securities and U.S. Government agency obligations (2) (excluding mortgage-backed securities)	8558	3,661	2
3. Mortgage-backed securities (2)	8559	9,587	3
4. All other securities (2, 3) (includes securities issued by states and political subdivisions in the U.S.)	8560	7,872	4
5. Federal funds sold and securities purchased under agreements to resell	3365	1,383	5
6. Loans:			
a. Total loans	3360	82,902	6.a
b. Loans secured by real estate:			
(1) Loans secured by 1-4 family residential properties	3465	26,064	6.b.1
(2) All other loans secured by real estate	3466	36,098	6.b.2
c. Commercial and industrial loans	3387	16,734	6.c
d. Loans to individuals for household, family, and other personal expenditures:			
(1) Credit cards	8561	81	6.d.1
(2) Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8562	4,001	6.d.2
7. To be completed by banks with \$100 million or more in total assets: (4)			
Trading assets	3401	0	7
8. Lease financing receivables (net of unearned income)	3484	0	8
9. Total assets (5)	3368	117,060	9
LIABILITIES			
10. Interest-bearing transaction accounts (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts) (exclude demand deposits)	3485	16,927	10
11. Nontransaction accounts:			
a. Savings deposits (includes MMDAs)	8563	31,378	11.a
b. Time deposits of \$100,000 or more	A514	10,879	11.b
c. Time deposits of less than \$100,000	A529	27,489	11.c
12. Federal funds purchased and securities sold under agreements to repurchase	3353	924	12
13. To be completed by banks with \$100 million or more in total assets: (4)			
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)	3355	4,380	13

Memorandum

Dollar Amounts in Thousands

	RCON	Bil Mil Thou	
1. Memorandum item 1 is to be completed by: (4)			
• banks with \$300 million or more in total assets, and			
• banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans.			
Loans to finance agricultural production and other loans to farmers	3386	N/A	M.1

- (1) For all items, banks have the option of reporting either (1) an average of DAILY figures for the quarter, or (2) an average of WEEKLY figures (i.e., the Wednesday of each week of the quarter).
- (2) Quarterly averages for all debt securities should be based on amortized cost.
- (3) Quarterly averages for all equity securities should be based on historical cost.
- (4) The asset size tests and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.
- (5) The quarterly average for total assets should reflect all debt securities (not held for trading) at amortized cost, equity securities with readily determinable fair values at the lower of cost or fair value, and equity securities without readily determinable fair values at historical cost.

Schedule RC-L—Derivatives and Off-Balance Sheet Items

Please read carefully the instructions for the preparation of Schedule RC-L. Some of the amounts reported in Schedule RC-L are regarded as volume indicators and not necessarily as measures of risk.

		Dollar Amounts in Thousands		RCON	Bl Ml Thou	
1.	Unused commitments:					
a.	Revolving, open-end lines secured by 1-4 family residential properties, e.g., home equity lines			3814	9,714	1.a
b.	Credit card lines			3815	243	1.b
c.	(1) Commitments to fund commercial real estate, construction, and land development loans secured by real estate:					
	(a) 1-4 family residential construction loan commitments			F164	5,613	1.c.1.a
	(b) Commercial real estate, other construction loan, and land development loan commitments			F165	5,785	1.c.1.b
	(2) Commitments to fund commercial real estate, construction, and land development loans NOT secured by real estate			6550	0	1.c.2
d.	Securities underwriting			3817	0	1.d
e.	Other unused commitments			3818	2,891	1.e
2.	Financial standby letters of credit			3819	441	2
a.	Amount of financial standby letters of credit conveyed to others	3820	0			2.a
3.	Performance standby letters of credit			3821	0	3
a.	Amount of performance standby letters of credit conveyed to others	3822	0			3.a
4.	Commercial and similar letters of credit			3411	0	4
5.	Not applicable					
6.	Securities lent (including customers' securities lent where the customer is indemnified against loss by the reporting bank)			3433	0	6
7.	Credit derivatives:					
a.	Notional amounts:					
		(Column A) Guarantor		(Column B) Beneficiary		
		RCON	Bl Ml Thou	RCON	Bl Ml Thou	
(1)	Credit default swaps	C968	0	C969	0	7.a.(1)
(2)	Total return swaps	C970	0	C971	0	7.a.(2)
(3)	Credit options	C972	0	C973	0	7.a.(3)
(4)	Other credit derivatives	C974	0	C975	0	7.a.(4)
b.	Gross fair values:					
(1)	Gross positive fair value	C219	0	C221	0	7.b.(1)
(2)	Gross negative fair value	C220	0	C222	0	7.b.(2)
8.	Spot foreign exchange contracts			8765	0	8
9.	All other off-balance sheet liabilities (exclude derivatives) (itemize and describe each component of this item over 25% of Schedule RC, item 28, "Total equity capital")			3430	0	9
	TEXT					
a.	Securities borrowed		3432	0		9.a
b.	Commitments to purchase when-issued securities		3434	0		9.b
c.	Standby letters of credit issued by a Federal Home Loan Bank on the bank's behalf		C978	0		9.c
d.	3555		3555	0		9.d
e.	3556		3556	0		9.e
f.	3557		3557	0		9.f
10.	All other off-balance sheet assets (exclude derivatives) (itemize and describe each component of this item over 25% of Schedule RC, item 28, "Total equity capital")			5591	0	10
	TEXT					
a.	Commitments to sell when-issued securities		3435	0		10.a
b.	5592		5592	0		10.b
c.	5593		5593	0		10.c
d.	5594		5594	0		10.d
e.	5595		5595	0		10.e

Schedule RC-L—Continued

Dollar Amounts in Thousands

		RCON				TR# BI# MI# THOU												
11. Year-to-date merchant credit card sales volume:																		
a. Sales for which the reporting bank is the acquiring bank		C223				0				11.a								
b. Sales for which the reporting bank is the agent bank with risk		C224				0				11.b								
Dollar Amounts in Thousands		(Column A)				(Column B)				(Column C)				(Column D)				
Derivatives Position Indicators		Interest Rate Contracts				Foreign Exchange Contracts				Equity Derivative Contracts				Commodity and Other Contracts				
12. Gross amounts (e.g., notional amounts) (for each column, sum of items 12.a through 12.e must equal sum of items 13 and 14):		Tri BI MI Thou				Tri BI MI Thou				Tri BI MI Thou				Tri BI MI Thou				
a. Futures contracts		RCON 8693				RCON 8694				RCON 8695				RCON 8696				12.a
b. Forward contracts		RCON 8697				RCON 8698				RCON 8699				RCON 8700				12.b
c. Exchange-traded option contracts:		RCON 8701				RCON 8702				RCON 8703				RCON 8704				
(1) Written options		RCON 8705				RCON 8706				RCON 8707				RCON 8708				12.c.1
(2) Purchased options		RCON 8709				RCON 8710				RCON 8711				RCON 8712				12.c.2
d. Over-the-counter option contracts:		RCON 8713				RCON 8714				RCON 8715				RCON 8716				
(1) Written options		RCON 3450				RCON 3826				RCON 8719				RCON 8720				12.d.1
(2) Purchased options		RCON A126				RCON A127				RCON 8723				RCON 8724				12.d.2
e. Swaps		RCON 8725				RCON 8726				RCON 8727				RCON 8728				12.e
13. Total gross notional amount of derivative contracts held for trading		RCON A589																13
14. Total gross notional amount of derivative contracts held for purposes other than trading		RCON 8733				RCON 8734				RCON 8735				RCON 8736				
a. Interest rate swaps where the bank has agreed to pay a fixed rate		RCON 8737				RCON 8738				RCON 8739				RCON 8740				14.a
15. Gross fair values of derivative contracts:		RCON 8741				RCON 8742				RCON 8743				RCON 8744				
a. Contracts held for trading:		RCON 8745				RCON 8746				RCON 8747				RCON 8748				
(1) Gross positive fair value		0				0				0				0				15.a.1
(2) Gross negative fair value		0				0				0				0				15.a.2
b. Contracts held for purposes other than trading:		0				0				0				0				
(1) Gross positive fair value		0				0				0				0				15.b.1
(2) Gross negative fair value		0				0				0				0				15.b.2

Schedule RC-M—Memoranda

		Dollar Amounts in Thousands		RCON	BR MI Thou	
1. Extensions of credit by the reporting bank to its executive officers, directors, principal shareholders, and their related interests as of the report date:						
a. Aggregate amount of all extensions of credit to all executive officers, directors, principal shareholders, and their related interests		6164	2,223			1.a
b. Number of executive officers, directors, and principal shareholders to whom the amount of all extensions of credit by the reporting bank (including extensions of credit to related interests) equals or exceeds the lesser of \$500,000 or 5 percent of total capital as defined for this purpose in agency regulations		RCON	Number			
		6165	2			1.b
2. Intangible assets other than goodwill:						
a. Mortgage servicing assets		3164	0			2.a
(1) Estimated fair value of mortgage servicing assets		A590	0			2.a.1
b. Purchased credit card relationships and nonmortgage servicing assets		8026	0			2.b
c. All other identifiable intangible assets		5507	0			2.c
d. Total (sum of items 2.a, 2.b, and 2.c) (must equal Schedule RC, item 10.b)		8426	0			2.d
3. Other real estate owned:						
a. Direct and indirect investments in real estate ventures		5372	0			3.a
b. All other real estate owned:						
(1) Construction, land development, and other land		5508	0			3.b.1
(2) Farmland		5509	0			3.b.2
(3) 1-4 family residential properties		5510	1,174			3.b.3
(4) Multifamily (5 or more) residential properties		5511	0			3.b.4
(5) Nonfarm nonresidential properties		5512	0			3.b.5
(6) Foreclosed properties from "GNMA loans"		C979	0			3.b.6
c. Total (sum of items 3.a and 3.b) (must equal Schedule RC, item 7)		2150	1,174			3.c
4. Investments in unconsolidated subsidiaries and associated companies:						
a. Direct and indirect investments in real estate ventures		5374	0			4.a
b. All other investments in unconsolidated subsidiaries and associated companies		5375	0			4.b
c. Total (sum of items 4.a and 4.b) (must equal Schedule RC, item 8)		2130	0			4.c
5. Other borrowed money:						
a. Federal Home Loan Bank advances:						
(1) Advances with a remaining maturity or next repricing date of: (1)						
(a) One year or less		F055	0			5.a.1.a
(b) Over one year through three years		F056	8,000			5.a.1.b
(c) Over three years through five years		F057	0			5.a.1.c
(d) Over five years		F058	0			5.a.1.d
(2) Advances with a REMAINING MATURITY of one year or less (included in item 5.a.(1)(a) above) (2)		2651	0			5.a.2
(3) Structured advances (included in items 5.a.(1)(a) - (d) above)		F059	0			5.a.3
b. Other borrowings:						
(1) Other borrowings with a remaining maturity or next repricing date of: (3)						
(a) One year or less		F060	0			5.b.1.a
(b) Over one year through three years		F061	0			5.b.1.b
(c) Over three years through five years		F062	0			5.b.1.c
(d) Over five years		F063	0			5.b.1.d
(2) Other borrowings with a REMAINING MATURITY of one year or less (included in item 5.b.(1)(a) above) (4)		8571	0			5.b.2
c. Total (sum of items 5.a.(1)(a)-(d) and items 5.b.(1)(a)-(d)) (must equal Schedule RC, item 16)		3190	8,000			5.c

- (1) Report fixed rate advances by remaining maturity and floating rate advances by next repricing date.
- (2) Report both fixed and floating rate advances by remaining maturity. Exclude floating rate advances with a next repricing date of one year or less that have a remaining maturity of over one year.
- (3) Report fixed rate other borrowings by remaining maturity and floating rate other borrowings by next repricing date.
- (4) Report both fixed and floating rate other borrowings by remaining maturity. Exclude floating rate other borrowings with a next repricing date of one year or less that have a remaining maturity of over one year.

Schedule RC-M—Continued

Dollar Amounts in Thousands

	RCON	YES / NO	
6. Does the reporting bank sell private label or third party mutual funds and annuities?	B569	NO	6
	RCON	Bl MI Thou	
7. Assets under the reporting bank's management in proprietary mutual funds and annuities	B570	0	7
8. Primary Internet Web site address of the bank (home page), if any (Example: www.examplebank.com) (TEXT 4087) http://dovercommunitybank.com			8
	RCON	YES / NO	
9. Do any of the bank's Internet Web sites have transactional capability, i.e., allow the bank's customers to execute transactions on their accounts through the Web site?	4088	YES	9
	RCON	Bl MI Thou	
10. Secured liabilities:			
a. Amount of "Federal funds purchased" that are secured (included in Schedule RC, item 14.a)	F064	0	10.a
b. Amount of "Other borrowings" that are secured (included in Schedule RC-M, items 5.b.(1)(a)-(d))	F065	0	10.b

Schedule RC-N—Past Due and Nonaccrual Loans, Leases, and Other Assets

	(Column A) Past due 30 through 89 days and still accruing		(Column B) Past due 90 days or more and still accruing		(Column C) Nonaccrual		
	RCON	Bl Ml Thou	RCON	Bl Ml Thou	RCON	Bl Ml Thou	
Dollar Amounts in Thousands							
1. Loans secured by real estate:							
a. Construction, land development, and other land loans:							
(1) 1-4 family residential construction loans	F172	0	F174	0	F176	0	1.a.1
(2) Other construction loans and all land development and other land loans	F173	0	F175	0	F177	0	1.a.2
b. Secured by farmland	3493	0	3494	0	3495	0	1.b
c. Secured by 1-4 family residential properties:							
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5398	0	5399	0	5400	0	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:							
(a) Secured by first liens	C236	0	C237	0	C229	0	1.c.2.a
(b) Secured by junior liens	C238	0	C239	0	C230	0	1.c.2.b
d. Secured by multifamily (5 or more) residential properties	3499	0	3500	0	3501	0	1.d
e. Secured by nonfarm nonresidential properties:							
(1) Loans secured by owner-occupied nonfarm nonresidential properties	F178	0	F180	0	F182	0	1.e.1
(2) Loans secured by other nonfarm nonresidential properties	F179	0	F181	0	F183	0	1.e.2
2. Loans to depository institutions and acceptances of other banks	B834	0	B835	0	B836	0	2
3. Not applicable							
4. Commercial and industrial loans	1606	51	1607	0	1608	49	4
5. Loans to individuals for household, family, and other personal expenditures:							
a. Credit cards	B575	0	B576	0	B577	0	5.a
b. Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	B578	51	B579	5	B580	55	5.b
6. Loans to foreign governments and official institutions	5389	0	5390	0	5391	0	6
7. All other loans (1)	5459	0	5460	0	5461	0	7
8. Lease financing receivables	1226	0	1227	0	1228	0	8
9. Debt securities and other assets (exclude other real estate owned and other repossessed assets)	3505	0	3506	0	3507	0	9

(1) Includes past due and nonaccrual "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

Schedule RC-N—Continued

Amounts reported in Schedule RC-N, items 1 through 8, above include guaranteed and unguaranteed portions of past due and nonaccrual loans and leases. Report in item 10 below certain guaranteed loans and leases that have already been included in the amounts reported in items 1 through 8.

	(Column A) Past due 30 through 89 days and still accruing			(Column B) Past due 90 days or more and still accruing			(Column C) Nonaccrual						
	Dollar Amounts in Thousands												
	RCON	Bl	Ml	Thou	RCON	Bl	Ml	Thou	RCON	Bl	Ml	Thou	
10. Loans and leases reported in Items 1 through 8 above which are wholly or partially guaranteed by the U.S. Government	5612			0	5613			0	5614			0	10
a. Guaranteed portion of loans and leases included in item 10 above (exclude rebooked "GNMA loans")	5615			0	5616			0	5617			0	10.a
b. Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase included in item 10 above	C866			0	C867			0	C868			0	10.b

Schedule RC-N—Continued

Memoranda	(Column A) Past due 30 through 89 days and still accruing			(Column B) Past due 90 days or more and still accruing			(Column C) Nonaccrual		
	Dollar Amounts in Thousands			Dollar Amounts in Thousands			Dollar Amounts in Thousands		
	RC/N	B M Thou	Thou	RC/N	B M Thou	Thou	RC/N	B M Thou	Thou
1. Restructured loans and leases included in Schedule RC-N, Items 1 through 8, above (and not reported in Schedule RC-C, Part I, Memorandum Item 1):									
a. Loans secured by 1-4 family residential properties	F661		0	F662		0	F663		0
b. Other loans and all leases (exclude loans to individuals for household, family, and other personal expenditures)	1658		0	1659		0	1661		0
2. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RC-N, items 4 and 7, above	6558		0	6559		0	6560		0
3. Memorandum items 3.a through 3.d are to be completed by banks with \$300 million or more in total assets: (1)									
a. Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RC-N, item 1, above)	1248		N/A	1249		N/A	1250		N/A
b. Loans to and acceptances of foreign banks (included in Schedule RC-N, item 2, above)	5380		N/A	5381		N/A	5382		N/A
c. Commercial and industrial loans to non-U.S. addressees (domicile) (included in Schedule RC-N, item 4, above)	1254		N/A	1255		N/A	1256		N/A
d. Leases to individuals for household, family, and other personal expenditures (included in Schedule RC-N, item 8, above)	F166		N/A	F167		N/A	F168		N/A
Memorandum item 4 is to be completed by: (1)									
• banks with \$300 million or more in total assets									
• banks with less than \$300 million or more in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans:									
4. Loans to finance agricultural production and other loans to farmers (included in Schedule RC-N, item 7, above)	1594		N/A	1597		N/A	1583		N/A
5. Loans and leases held for sale and loans measured at fair value (Included Schedule RC-N, items 1 through 8, above):									
a. Loans and leases held for sale	C240		0	C241		0	C226		0
b. Loans measured at fair value:(1)									
(1) Fair value	F664		N/A	F665		N/A	F666		N/A
(2) Unpaid principal balance	F667		N/A	F668		N/A	F669		N/A

(1) NOTE: Completion of Memorandum items 5.b.(1) and (2) of Schedule RC-N is optional for the March 31, 2008, report date only. These items must be completed by all banks beginning June 30, 2008.

Schedule RC-N—Continued

Memoranda—Continued

Dollar Amounts in Thousands	(Column A) Past due 30 through 89 days			(Column B) Past due 90 days or more			
	RCON	B#	M# Thou	RCON	B#	M# Thou	
<i>Memorandum item 6 is to be completed by banks with \$300 million or more in total assets: (1)</i>							
6. Interest rate, foreign exchange rate, and other commodity and equity contracts:							
Fair value of amounts carried as assets	3529		N/A	3530		N/A	M.6
7. Additions to nonaccrual assets during the quarter	C410			4			M.7
8. Nonaccrual assets sold during the quarter	C411			0			M.8

(1) The \$300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

Schedule RC-O—Other Data for Deposit Insurance and FICO Assessments

All banks must complete items 1 and 2, Memorandum Item 1, and, if applicable, Memorandum items 2 and 3 each quarter. Each bank that reported \$1 billion or more in total assets in its March 31, 2007, Report of Condition must complete items 4 and 5 each quarter. In addition, each bank that reported \$1 billion or more in total assets in two consecutive Reports of Condition beginning with its June 30, 2007, report must begin to complete items 4 and 5 each quarter starting six months after the second consecutive quarter in which it reports total assets of \$1 billion or more. Each bank that becomes insured by the FDIC on or after April 1, 2007, must complete items 4 and 5 each quarter. Any other bank may choose to complete items 4 and 5, but the bank must then continue to complete items 4 and 5 each quarter thereafter.

	Dollar Amounts in Thousands		RCON	Bil Mil Thou	
1. Total deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations	F236	103,263			1
2. Total allowable exclusions	F237	0			2
3. Not applicable					
4. Total daily average of deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations	F238	N/A			4
5. Total daily average of allowable exclusions	F239	N/A			5

Memoranda

	Dollar Amounts in Thousands		RCON	Bil Mil Thou	
1. Total deposits of the bank (sum of Memorandum items 1.a.(1), 1.b.(1), 1.c.(1), and 1.d.(1) must equal Schedule RC-O, and item 1 less item 2):					
a. Deposit accounts (excluding retirement accounts) of \$100,000 or less: (1)					
(1) Amount of deposit accounts (excluding retirement accounts) of \$100,000 or less	F049	57,275			M.1.a.1
(2) Number of deposit accounts (excluding retirement accounts) of \$100,000 or less (to be completed for the June report only)	RCON F050	Number N/A			M.1.a.2
b. Deposit accounts (excluding retirement accounts) of more than \$100,000: (1)					
(1) Amount of deposit accounts (excluding retirement accounts) of more than \$100,000	F051	38,851			M.1.b.1
(2) Number of deposit accounts (excluding retirement accounts) of more than \$100,000	RCON F052	Number 196			M.1.b.2
c. Retirement deposit accounts of \$250,000 or less: (1)					
(1) Amount of retirement deposit accounts of \$250,000 or less	F045	7,137			M.1.c.1
(2) Number of retirement deposit accounts of \$250,000 or less (to be completed for the June report only)	RCON F046	Number N/A			M.1.c.2
d. Retirement deposit accounts of more than \$250,000: (1)					
(1) Amount of retirement deposit accounts of more than \$250,000	F047	0			M.1.d.1
(2) Number of retirement deposit accounts of more than \$250,000	RCON F048	Number 0			M.1.d.2
Memorandum item 2 is to be completed by banks with \$1 billion or more in total assets. (2)					
2. Estimated amount of uninsured deposits (see instructions)	5597	N/A			M.2
3. Has the reporting institution been consolidated with a parent bank or savings association in that parent bank's or parent saving association's Call Report or Thrift Financial Report? If so, report the legal title and FDIC Certificate Number of the parent bank or parent savings association:					
TEXT			RCON	FDIC Cert No.	
A545			A545	0	M.3

(1) The dollar amounts used as the basis for reporting in Memoranda items 1.a through 1.d reflect the deposit insurance limits in effect on the report date.
 (2) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-P—1-4 Family Residential Mortgage Banking Activities

Schedule RC-P is to be completed by (1) all banks with \$1 billion or more in total assets¹ and (2) banks with less than \$1 billion in total assets at which either 1-4 family residential mortgage loan originations and purchases for resale² from all sources, loan sales, or quarter-end loans held for sale exceed \$10 million for two consecutive quarters.

NOTE: Completion of items 1.c.(1) and (2), 2.c.(1) and (2), 3.c.(1) and (2), 4.c.(1) and (2), 5.b, and 6.c.(1) and (2) of Schedule RC-P is optional for the March 31, 2008, report date only. These items must be completed by all banks required to complete Schedule RC-P beginning June 30, 2008.

Dollar Amounts in Thousands

	RCON	B4 M4 Thou	
1. Retail originations during the quarter of closed-end 1-4 family residential mortgage loans for sale:(2)			
a. Closed-end first liens	F066	N/A	1.a
b. Closed-end junior liens	F067	N/A	1.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F670	N/A	1.c.1
(2) Principal amount funded under the lines of credit	F671	N/A	1.c.2
2. Wholesale originations and purchases during the quarter of 1-4 family residential mortgage loans for sale:(2)			
a. Closed-end first liens	F068	N/A	2.a
b. Closed-end junior liens	F069	N/A	2.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F672	N/A	2.c.1
(2) Principal amount funded under the lines of credit	F673	N/A	2.c.2
3. 1-4 family residential mortgage loans sold during the quarter:			
a. Closed-end first liens	F070	N/A	3.a
b. Closed-end junior liens	F071	N/A	3.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F674	N/A	3.c.1
(2) Principal amount funded under the lines of credit	F675	N/A	3.c.2
4. 1-4 family residential mortgage loans held for sale at quarter-end (included in Schedule RC, item 4.a):			
a. Closed-end first liens	F072	N/A	4.a
b. Closed-end junior liens	F073	N/A	4.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F676	N/A	4.c.1
(2) Principal amount funded under the lines of credit	F677	N/A	4.c.2
5. Noninterest income for the quarter from the sale, securitization, and servicing of 1-4 family residential mortgage loans (included in Schedule RI, Items 5.f, 5.g, and 5.j):	RIAD		
a. Closed-end 1-4 family residential mortgage loans	F184	N/A	5.a
b. Open-end 1-4 family residential mortgage loans extended under lines of credit	F560	N/A	5.b
6. Repurchases and indemnifications of 1-4 family residential mortgage loans during the quarter:	RCON		
a. Closed-end first liens	F678	N/A	6.a
b. Closed-end junior liens	F679	N/A	6.b
c. Open-end loans extended under line of credit:			
(1) Total commitment under the lines of credit	F680	N/A	6.c.1
(2) Principal amount funded under the lines of credit	F681	N/A	6.c.2

(1) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

(2) Exclude originations and purchases of 1-4 family residential mortgage loans that are held for investment.

Clover Community Bank

Legal Title of Bank

FDIC Certificate Number: 27055
Submitted to CDR on 4/29/2008 at 4:00 PM

Schedule RC-Q—Financial Assets and Liabilities Measured at Fair Value

Schedule RC-Q is to be completed by banks that have adopted FASB Statement No. 157, "Fair Value Measurements," and (1) have elected to account for financial instruments or servicing assets and liabilities at fair value under a fair value option or (2) are required to complete Schedule RC-D—Trading Assets and Liabilities.

Fair Value Measurements for Assets and Liabilities under a Fair Value Option and Trading Assets and Liabilities (Included in Schedule RC)											
	(Column A) Total Fair Value Reported on Schedule RC		(Column B) LESS: Amounts Netted in the Determination of Total Fair Value		(Column C) Level 1 Fair Value Measurements		(Column D) Level 2 Fair Value Measurements		(Column E) Level 3 Fair Value Measurements		
	RCON	Bl Mil Thou	RCON	Bl Mil Thou	RCON	Bl Mil Thou	RCON	Bl Mil Thou	RCON	Bl Mil Thou	
Dollar Amounts in Thousands											
ASSETS											
1. Loans and leases	F243	N/A	F682	N/A	F690	N/A	F244	N/A	F245	N/A	1
2. Trading assets	F246	N/A	F683	N/A	F691	N/A	F247	N/A	F248	N/A	2
a. Nontrading securities at fair value with changes in fair value reported in current earnings (included in Schedule RC-Q, item 2, above)	F240	N/A	F684	N/A	F692	N/A	F241	N/A	F242	N/A	2.a
3. All other financial assets and servicing assets	F249	N/A	F685	N/A	F693	N/A	F250	N/A	F251	N/A	3
LIABILITIES											
4. Deposits	F252	N/A	F686	N/A	F694	N/A	F253	N/A	F254	N/A	4
5. Trading liabilities	F255	N/A	F687	N/A	F695	N/A	F256	N/A	F257	N/A	5
6. All other financial liabilities and and servicing liabilities	F258	N/A	F688	N/A	F696	N/A	F259	N/A	F260	N/A	6
7. Loan commitments (not accounted for as derivatives)	F261	N/A	F689	N/A	F697	N/A	F262	N/A	F263	N/A	7

Schedule RC-R—Regulatory Capital

Dollar Amounts in Thousands

	RCON	Bl M# Thou			
Tier 1 capital					
1. Total equity capital (from Schedule RC, item 28)	3210	10,416	1		
2. LESS: Net unrealized gains (losses) on available-for-sale securities (1) (if a gain, report as a positive value; if a loss, report as a negative value)	8434	173	2		
3. LESS: Net unrealized loss on available-for-sale EQUITY securities (1) (report loss as a positive value)	A221	0	3		
4. LESS: Accumulated net gains (losses) on cash flow hedges (1) (if a gain, report as a positive value; if a loss, report as a negative value)	4336	0	4		
5. LESS: Nonqualifying perpetual preferred stock	B588	0	5		
6. Qualifying minority interests in consolidated subsidiaries	B589	0	6		
7.a. LESS: Disallowed goodwill and other disallowed intangible assets	B590	0	7.a		
b. LESS: Cumulative change in fair value of all financial liabilities accounted for under a fair value option that is included in retained earnings and is attributable to changes in the bank's own creditworthiness (if a net gain, report as a positive value; if a net loss, report as a negative value)	F264	0	7.b		
8. Subtotal (sum of items 1 and 6, less items 2, 3, 4, 5, 7.a, and 7.b)	C227	10,242	8		
9.a. LESS: Disallowed servicing assets and purchased credit card relationships	B591	0	9.a		
b. LESS: Disallowed deferred tax assets	5610	0	9.b		
10. Other additions to (deductions from) Tier 1 capital	B592	0	10		
11. Tier 1 capital (sum of items 8 and 10, less items 9.a and 9.b)	8274	10,242	11		
Tier 2 capital					
12. Qualifying subordinated debt and redeemable preferred stock	5306	0	12		
13. Cumulative perpetual preferred stock includible in Tier 2 capital	8593	0	13		
14. Allowance for loan and lease losses includible in Tier 2 capital	5310	809	14		
15. Unrealized gains on available-for-sale equity securities includible in Tier 2 capital	2221	0	15		
16. Other Tier 2 capital components	B594	0	16		
17. Tier 2 capital (sum of items 12 through 16)	5311	809	17		
18. Allowable Tier 2 capital (lesser of item 11 or 17)	8275	809	18		
19. Tier 3 capital allocated for market risk	1395	0	19		
20. LESS: Deductions for total risk-based capital	B595	0	20		
21. Total risk-based capital (sum of items 11, 18, and 19, less item 20)	3792	11,051	21		
Total assets for leverage ratio					
22. Average total assets (from Schedule RC-K, item 9)	3368	117,060	22		
23. LESS: Disallowed goodwill and other disallowed intangible assets (from item 7.a above)	B590	0	23		
24. LESS: Disallowed servicing assets and purchased credit card relationships (from item 9.a above)	B591	0	24		
25. LESS: Disallowed deferred tax assets (from item 9.b above)	5610	0	25		
26. LESS: Other deductions from assets for leverage capital purposes	B596	0	26		
27. Average total assets for leverage capital purposes (item 22 less items 23 through 26)	A224	117,060	27		
Adjustments for financial subsidiaries					
28. a. Adjustment to Tier 1 capital reported in item 11	C228	0	28.a		
b. Adjustment to total risk-based capital reported in item 21	B503	0	28.b		
29. Adjustment to risk-weighted assets reported in item 62	B504	0	29		
30. Adjustment to average total assets reported in item 27	B505	0	30		
Capital ratios					
(Column B is to be completed by all banks. Column A is to be completed by banks with financial subsidiaries.)					
	(Column A)	(Column B)			
	RCON	Percentage	RCON	Percentage	
31. Tier 1 leverage ratio (2)	7273	0.00%	7204	8.75%	31
32. Tier 1 risk-based capital ratio (3)	7274	0.00%	7206	10.64%	32
33. Total risk-based capital ratio (4)	7275	0.00%	7205	11.38%	33

(1) Report amount included in Schedule RC, item 26.b, "Accumulated other comprehensive income."

(2) The ratio for column B is item 11 divided by item 27. The ratio for column A is item 11 minus item 28.a divided by (item 27 minus item 30).

(3) The ratio for column B is item 11 divided by item 62. The ratio for column A is item 11 minus item 28.a divided by (item 62 minus item 29).

(4) The ratio for column B is item 21 divided by item 62. The ratio for column A is item 21 minus item 28.b divided by (item 62 minus item 29).

Clover Community Bank

Legal Title of Bank

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Schedule RC-R—Continued

Banks are not required to risk-weight each on-balance sheet asset and the credit equivalent amount of each off-balance sheet item that qualifies for a risk weight of less than 100 percent (50 percent for derivatives) at its lower risk weight. When completing items 34 through 54 of Schedule RC-R, each bank should decide for itself how detailed a risk-weight analysis it wishes to perform. In other words, a bank can choose from among its assets and off-balance sheet items that have a risk weight of less than 100 percent which ones to risk-weight at an appropriate lower risk weight, or it can simply risk-weight some or all of these items at a 100 percent risk weight (50 percent for derivatives).

	(Column A)	(Column B)	(Column C) (Column D) (Column E) (Column F)				
	Totals	Items Not	Allocation by Risk Weight Category				
	(from	Subject to	0%	20%	50%	100%	
	<i>Schedule RC</i>)	Risk-Weighting					
Dollar Amounts in Thousands	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	
Balance Sheet Asset Categories							
34. Cash and balances due from depository institutions (Column A equals the sum of Schedule RC items 1.a and 1.b)	RCON 0010 4,188	RCON C869 0	RCON B600 806	RCON B601 3,382		RCON B602 0	34
35. Held-to-maturity securities	RCON 1754 0	RCON B603 0	RCON B604 0	RCON B605 0	RCON B606 0	RCON B607 0	35
36. Available-for-sale securities	RCON 1773 20,868	RCON B608 283	RCON B609 0	RCON B610 18,696	RCON B611 1,890	RCON B612 0	36
37. Federal funds sold and securities purchased under agreements to resell	RCON C225 3,161		RCON C063 0	RCON C064 3,161		RCON B520 0	37
38. Loans and leases held for sale	RCON 5369 0	RCON B617 0	RCON B618 0	RCON B619 0	RCON B620 0	RCON B621 0	38
39. Loans and leases, net of unearned income	RCON B528 86,983	RCON B622 0	RCON B623 0	RCON B624 0	RCON B625 16,527	RCON B626 70,456	39
40. LESS: Allowance for loan and lease losses	RCON 3123 809	RCON 3123 809					40
41. Trading assets	RCON 3545 0	RCON B627 0	RCON B628 0	RCON B629 0	RCON B630 0	RCON B631 0	41
42. All other assets (1)	RCON B639 7,406	RCON B640 0	RCON B641 0	RCON B642 701	RCON B643 21	RCON 5339 6,683	42
43. Total assets (sum of items 34 through 42)	RCON 2170 121,797	RCON B644 (526)	RCON 5320 806	RCON 5327 26,940	RCON 5334 18,438	RCON 5340 77,138	43

(1) Includes premises and fixed assets, other real estate owned, investments in unconsolidated subsidiaries and associated companies, intangible assets, and other assets.

SQUIRE, SANDERS & DEMPSEY

Monthly Copitrak Unit Summary

Date Range
 From 3/1/2009 0:00
 To 3/28/2009 23:59

Unit ID	Copy Pages	Copy Gross Charges	All Gross Charges	All Net Charges	All NB Charges	All Qty NB%
CINC01	8,674	1,561.32	1,561.32	1,478.16	83.16	5.33%
CINC02	8,439	1,519.02	1,519.02	1,367.64	151.38	9.97%
CINC03	17,848	3,212.64	3,212.64	2,884.50	328.14	10.21%
CINC04	4,123	742.14	742.14	573.30	168.84	22.75%
Grand Total:	39,084	7,035.12	7,035.12	6,303.60	731.52	10.40%

Schedule RC-R—Continued

	(Column A)	Credit Conversion Factor	(Column B) Credit Equivalent Amount (1)	(Column C) (Column D) (Column E) (Column F)			
	Face Value or Notional Amount			Allocation by Risk Weight Category			
	0%			20%	50%	100%	
Dollar Amounts in Thousands	Bl Ml Thou		Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou
Derivatives and Off-Balance Sheet Items	RCON B546	See footnote 2	RCON B547	RCON B548	RCON B581	RCON B582	RCON B583
44. Financial standby letters of credit	441	1.00	441	0	0	0	441
45. Performance standby letters of credit	RCON 3821		RCON B650	RCON B651	RCON B652	RCON B653	RCON B654
	0	.50	0	0	0	0	0
46. Commercial and similar letters of credit	RCON 3411		RCON B655	RCON B656	RCON B657	RCON B658	RCON B659
	0	.20	0	0	0	0	0
47. Risk participations in bankers acceptances acquired by the reporting institution	RCON 3429		RCON B660	RCON B661	RCON B662		RCON B663
	0	1.00	0	0	0		0
	RCON 3433		RCON B664	RCON B665	RCON B666	RCON B667	RCON B668
48. Securities lent	0	1.00	0	0	0	0	0
49. Retained recourse on small business obligations sold with recourse	RCON A250		RCON B669	RCON B670	RCON B671	RCON B672	RCON B673
	0	1.00	0	0	0	0	0
50. Recourse and direct credit substitutes (other than financial standby letters of credit) subject to the low-level exposure rule and residual interests subject to a dollar-for-dollar capital requirement	RCON B541	See footnote 3	RCON B542				RCON B543
	0	12.500	0				0
51. All other financial assets sold with recourse	RCON B675		RCON B676	RCON B677	RCON B678	RCON B679	RCON B680
	0	1.00	0	0	0	0	0
52. All other off-balance sheet liabilities	RCON B681		RCON B682	RCON B683	RCON B684	RCON B685	RCON B686
	0	1.00	0	0	0	0	0
53. Unused commitments with an original maturity exceeding one year	RCON 3833		RCON B687	RCON B688	RCON B689	RCON B690	RCON B691
	10,294	.50	5,147	0	0	0	5,147
			RCON A167	RCON B693	RCON B694	RCON B695	
54. Derivative contracts			0	0	0	0	0

(1) Column A multiplied by credit conversion factor.

(2) For financial standby letters of credit to which the low-level exposure rule applies, use a credit conversion factor of 12.5 or an institution-specific factor.

For other financial standby letters of credit, use a credit conversion factor of 1.00. See instructions for further information. (Entering an 'M' allows for data entry in Column B.)

(3) Or institution specific factor.

Schedule RC-R—Continued

	Dollar Amounts in Thousands			
	(Column C)	(Column D)	(Column E)	(Column F)
	Allocation by Risk Weight Category			
	0%	20%	50%	100%
	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou
Totals				
55. Total assets, derivatives, and off-balance sheet items by risk weight category (for each column, sum of items 43 through 54)	RCON B696 806	RCON B697 25,940	RCON B698 18,438	RCON B699 82,727
56. Risk weight factor	x 0%	x 20%	x 50%	x 100%
57. Risk-weighted assets by risk weight category (for each column, item 55 multiplied by item 56)	RCON B700 0	RCON B701 5,188	RCON B702 9,219	RCON B703 82,727
58. Market risk equivalent assets				RCON 1651 0
59. Risk-weighted assets before deductions for excess allowance for loan and lease losses and allocated transfer risk reserve (sum of item 57, columns C through F, and item 58)				RCON B704 97,134
60. LESS: Excess allowance for loan and lease losses				RCON A222 0
61. LESS: Allocated transfer risk reserve				RCON 312R 0
62. Total risk-weighted assets (item 59 minus items 60 and 61)				RCON A223 97,134

	Dollar Amounts in Thousands		M.1
	RCON	Bl Ml Thou	
1. Current credit exposure across all derivative contracts covered by the risk-based capital standards	8764	0	M.1

	With a remaining maturity of						
	(Column A) One year or less		(Column B) Over one year through five years		(Column C) Over five years		
	RCON	Trl Bl Ml Thou	RCON	Trl Bl Ml Thou	RCON	Trl Bl Ml Thou	
2. Notional principal amounts of derivative contracts: (1)							
a. Interest rate contracts	3809	0	8766	0	8767	0	M.2.a
b. Foreign exchange contracts	3812	0	8769	0	8770	0	M.2.b
c. Gold contracts	8771	0	8772	0	8773	0	M.2.c
d. Other precious metals contracts	8774	0	8775	0	8776	0	M.2.d
e. Other commodity contracts	8777	0	8778	0	8779	0	M.2.e
f. Equity derivative contracts	A000	0	A001	0	A002	0	M.2.f
g. Credit derivative contracts:							
(1) Investment grade	C980	0	C981	0	C982	0	M.2.g.1
(2) Subinvestment grade	C983	0	C984	0	C985	0	M.2.g.2

(1) Exclude foreign exchange contracts with an original maturity of 14 days or less and all futures contracts.

Schedule RC-S—Servicing, Securitization, and Asset Sale Activities

	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets	
Dollar Amounts in Thousands	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	
Bank Securitization Activities								
1. Outstanding principal balance of assets sold and securitized by the reporting bank with servicing retained or with recourse or other seller-provided credit enhancements	RCON B705 0	RCON B706 0	RCON B707 0	RCON B708 0	RCON B709 0	RCON B710 0	RCON B711 0	1
2. Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to structures reported in item 1 in the form of:								
a. Credit-enhancing interest-only strips (included in Schedules RC-B or RC-F or in Schedule RC, item 5)	RCON B712 0	RCON B713 0	RCON B714 0	RCON B715 0	RCON B716 0	RCON B717 0	RCON B718 0	2.a
b. Subordinated securities and other residual interests	RCON C393 0	RCON C394 0	RCON C395 0	RCON C396 0	RCON C397 0	RCON C398 0	RCON C399 0	2.b
c. Standby letters of credit and other enhancements	RCON C400 0	RCON C401 0	RCON C402 0	RCON C403 0	RCON C404 0	RCON C405 0	RCON C406 0	2.c
3. Reporting bank's unused commitments to provide liquidity to structures reported in item 1	RCON B726 0	RCON B727 0	RCON B728 0	RCON B729 0	RCON B730 0	RCON B731 0	RCON B732 0	3
4. Past due loan amounts included in item 1:								
a. 30-89 days past due	RCON B733 0	RCON B734 0	RCON B735 0	RCON B736 0	RCON B737 0	RCON B738 0	RCON B739 0	4.a
b. 90 days or more past due	RCON B740 0	RCON B741 0	RCON B742 0	RCON B743 0	RCON B744 0	RCON B745 0	RCON B746 0	4.b
5. Charge-offs and recoveries on assets sold and securitized with servicing retained or with recourse or other seller-provided credit enhancements (calendar year-to-date):								
a. Charge-offs	RIAD B747 0	RIAD B748 0	RIAD B749 0	RIAD B750 0	RIAD B751 0	RIAD B752 0	RIAD B753 0	5.a
b. Recoveries	RIAD B754 0	RIAD B755 0	RIAD B756 0	RIAD B757 0	RIAD B758 0	RIAD B759 0	RIAD B760 0	5.b

Schedule RC-S—Continued

	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets	
Dollar Amounts in Thousands	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	
6. Amount of ownership (or seller's) interests carried as:								
a. Securities (Included in Schedule RC-B or in Schedule RC, item 5)		RCON B761 0	RCON B762 0			RCON B763 0	6.a	
b. Loans (Included in Schedule RC-C)		RCON B500 0	RCON B501 0			RCON B502 0	6.b	
7. Past due loan amounts included in interests reported in item 6.a:								
a. 30-89 days past due		RCON B764 0	RCON B765 0			RCON B766 0	7.a	
b. 90 days or more past due		RCON B767 0	RCON B768 0			RCON B769 0	7.b	
8. Charge-offs and recoveries on loan amounts included in interests reported in item 6.a (calendar year-to-date):								
a. Charge-offs		RIAD B770 0	RIAD B771 0			RIAD B772 0	8.a	
b. Recoveries		RIAD B773 0	RIAD B774 0			RIAD B775 0	8.b	
For Securitization Facilities Sponsored By or Otherwise Established By Other Institutions								
9. Maximum amount of credit exposure arising from credit enhancements provided by the reporting bank to other institutions' securitization structures in the form of standby letters of credit, purchased subordinated securities, and other enhancements	RCON B776 0	RCON B777 0	RCON B778 0	RCON B779 0	RCON B780 0	RCON B781 0	RCON B782 0	9
10. Reporting bank's unused commitments to provide liquidity to other institutions' securitization structures	RCON B783 0	RCON B784 0	RCON B785 0	RCON B786 0	RCON B787 0	RCON B788 0	RCON B789 0	10

Schedule RC-S—Continued

	(Column A)	(Column B)	(Column C)	(Column D)	(Column E)	(Column F)	(Column G)
	1-4 Family Residential Loans	Home Equity Lines	Credit Card Receivables	Auto Loans	Other Consumer Loans	Commercial and Industrial Loans	All Other Loans, All Leases, and All Other Assets
Dollar Amounts in Thousands	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou
Bank Asset Sales							
11. Assets sold with recourse or other seller-provided credit enhancements and not securitized by the reporting bank	RCON B790 0	RCON B791 0	RCON B792 0	RCON B793 0	RCON B794 0	RCON B795 0	RCON B796 0
12. Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to assets reported in item 11	RCON B797 0	RCON B798 0	RCON B799 0	RCON B800 0	RCON B801 0	RCON B802 0	RCON B803 0

Memoranda

	Dollar Amounts in Thousands		
	RCON	Bl Mil Thou	
1. Small business obligations transferred with recourse under Section 208 of the Riegle Community Development and Regulatory Improvement Act of 1994:			
a. Outstanding principal balance	A249	0	M.1.a
b. Amount of retained recourse on these obligations as of the report date	A250	0	M.1.b
2. Outstanding principal balance of assets serviced for others (includes participations serviced for others):			
a. Closed-end 1-4 family residential mortgages serviced with recourse or other servicer-provided credit enhancements	B804	0	M.2.a
b. Closed-end 1-4 family residential mortgages serviced with no recourse or other servicer-provided credit enhancements	B805	0	M.2.b
c. Other financial assets (includes home equity lines) (1)	A591	0	M.2.c
d. 1-4 family residential mortgages serviced for others that are in process of foreclosure at quarter-end (includes closed-end and open-end loans)	F699	0	M.2.d
3. Asset-backed commercial paper conduits:			
a. Maximum amount of credit exposure arising from credit enhancements provided to conduit structures in the form of standby letters of credit, subordinated securities, and other enhancements:			
(1) Conduits sponsored by the bank, a bank affiliate, or the bank's holding company	B806	0	M.3.a.1
(2) Conduits sponsored by other unrelated institutions	B807	0	M.3.a.2
b. Unused commitments to provide liquidity to conduit structures:			
(1) Conduits sponsored by the bank, a bank affiliate, or the bank's holding company	B808	0	M.3.b.1
(2) Conduits sponsored by other unrelated institutions	B809	0	M.3.b.2
4. Outstanding credit card fees and finance charges included in Schedule RC-S, item 1, column C (2)	C407	N/A	M.4

(1) Memorandum item 2.c is to be completed if the principal balance of other financial assets serviced for others is more than \$10 million.

(2) Memorandum item 4 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.

Schedule RC-T—Fiduciary and Related Services

Items 12 through 18, items 20 through 23, and Memorandum Item 4 will not be made available to the public on an individual institution basis.

1. Does the institution have fiduciary powers? (If "NO," do not complete Schedule RC-T)	RCON A345	YES / NO NO	1
2. Does the institution exercise the fiduciary powers it has been granted?	RCON A346	YES / NO NO	2
3. Does the institution have any fiduciary or related activity (in the form of assets or accounts) to report in this schedule? (If "NO," do not complete the rest of Schedule RC-T.)	RCON B867	YES / NO NO	3

If the answer to item 3 is "YES," complete the applicable items of Schedule RC-T, as follows:

Institutions with total fiduciary assets (item 9, sum of columns A and B) greater than \$250 million (as of the preceding December 31) or with gross fiduciary and related services income greater than 10% of revenue (net interest income plus noninterest income) for the preceding calendar year must complete:

- Items 4 through 19 quarterly,
- Items 20 through 23 annually with the December report, and
- Memorandum items 1 through 4 annually with the December report.

Institutions with total fiduciary assets (item 9, sum of columns A and B) greater than \$100 million but less than or equal to \$250 million (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:

- Items 4 through 23 annually with the December report, and
- Memorandum items 1 through 4 annually with the December report.

Institutions with total fiduciary assets (item 9, sum of columns A and B) of \$100 million or less (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:

- Items 4 through 10 annually with the December report, and
- Memorandum items 1 through 3 annually with the December report.

	(Column A) Managed Assets	(Column B) Non-Managed Assets	(Column C) Number of Managed Accounts	(Column D) Number of Non-Managed Accounts	
	Tril Bil Mil Thou	Tril Bil Mil Thou			
FDUCIARY AND RELATED ASSETS	RCON B868	RCON B869	RCON B870	RCON B871	
4. Personal trust and agency accounts	N/A	N/A	N/A	N/A	4
5. Retirement related trust & agency accounts:	RCON B872	RCON B873	RCON B874	RCON B875	
a. Employee benefit-defined contribution	N/A	N/A	N/A	N/A	5.a
b. Employee benefit-defined benefit	RCON B876	RCON B877	RCON B878	RCON B879	5.b
c. Other retirement accounts	N/A	N/A	N/A	N/A	5.c
6. Corporate trust and agency accounts	RCON B880	RCON B881	RCON B882	RCON B883	
	N/A	N/A	N/A	N/A	
	RCON B884	RCON B885	RCON C001	RCON C002	6
	N/A	N/A	N/A	N/A	
7. Investment management agency accounts	RCON B886		RCON B888		
	N/A		N/A		7
	RCON B890	RCON B891	RCON B892	RCON B893	
8. Other fiduciary accounts	N/A	N/A	N/A	N/A	8
9. Total fiduciary accounts (sum of items 4 through 8)	RCON B894	RCON B895	RCON B896	RCON B897	
	N/A	N/A	N/A	N/A	9
		RCON B898		RCON B899	
10. Custody and safekeeping accounts		N/A		N/A	10
11. Not applicable					

Schedule RC-T—Continued

Dollar Amounts in Thousands		RIAD	BI MI Thou	
FIDUCIARY AND RELATED SERVICES INCOME				
12. Personal trust and agency accounts		B904	N/A	12
13. Retirement related trust and agency accounts:				
a. Employee benefit—defined contribution		B905	N/A	13.a
b. Employee benefit—defined benefit		B906	N/A	13.b
c. Other retirement accounts		B907	N/A	13.c
14. Corporate trust and agency accounts		A479	N/A	14
15. Investment management agency accounts		9908	N/A	15
16. Other fiduciary accounts		A480	N/A	16
17. Custody and safekeeping accounts		B909	N/A	17
18. Other fiduciary and related services income		B910	N/A	18
19. Total gross fiduciary and related services income (sum of items 12 through 18) (must equal Schedule RI, item 5.a)		4070	N/A	19
20. LESS: Expenses		C058	N/A	20
21. LESS: Net losses from fiduciary and related services		A488	N/A	21
22. PLUS: Intracompany income credits for fiduciary and related services		B911	N/A	22
23. Net fiduciary and related services income		A491	N/A	23

Memoranda

Dollar Amounts in Thousands		Managed Assets		
		RCON	BI MI Thou	
1. Managed assets held in personal trust and agency accounts:				
a. Noninterest-bearing deposits		B913	N/A	M.1.a
b. Interest-bearing deposits		B914	N/A	M.1.b
c. U.S. Treasury and U.S. Government agency obligations		B915	N/A	M.1.c
d. State, county and municipal obligations		B916	N/A	M.1.d
e. Money market mutual funds		B917	N/A	M.1.e
f. Other short-term obligations		B918	N/A	M.1.f
g. Other notes and bonds		B919	N/A	M.1.g
h. Common and preferred stocks		B920	N/A	M.1.h
i. Real estate mortgages		B921	N/A	M.1.i
j. Real estate		B922	N/A	M.1.j
k. Miscellaneous assets		B923	N/A	M.1.k
l. Total managed assets held in personal trust and agency accounts (sum of Memorandum items 1.a through 1.k) (must equal Schedule RC-T, item 4, column A)		B868	N/A	M.1.l

Dollar Amounts in Thousands		(Column A) Number of Issues	(Column B) Principal Amount Outstanding	
		RCON	TR BR MI Thou	
2. Corporate trust and agency accounts:				
a. Corporate and municipal trusteeships		B927	N/A	M.2.a
b. Transfer agent, registrar, paying agent, and other corporate agency		B929	N/A	M.2.b

REPORT OF CONDITION

Consolidating domestic subsidiaries of
Clover Community Bank
 in the state of SC at close of business on March 31, 2008
 published in response to call made by (Enter additional information below)

Statement of Resources and Liabilities

Dollar Amounts in Thousands

ASSETS

Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		3,298
Interest-bearing balances		892
Securities:		
Held-to-maturity securities		0
Available-for-sale securities		20,869
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold		3,161
Securities purchased under agreements to resell		0
Loans and lease financing receivables:		
Loans and leases held for sale		0
Loans and leases, net of unearned income	86,983	
LESS: Allowance for loan and lease losses	809	
Loans and leases, net of unearned income and allowance		86,174
Trading Assets		0
Premises and fixed assets (including capitalized leases)		2,333
Other real estate owned		1,174
Investments in unconsolidated subsidiaries and associated companies		0
Intangible assets:		
Goodwill		0
Other intangible assets		0
Other assets		3,898
Total assets		121,797

REPORT OF CONDITION (Continued)

LIABILITIES

Dollar Amounts in Thousands

Deposits:		
In domestic offices		102,582
Noninterest-bearing	12,022	
Interest-bearing	90,560	
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased		0
Securities sold under agreements to repurchase		0
Trading liabilities		0
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)		8,000
Subordinated notes and debentures		0
Other liabilities		800
Total liabilities		111,382
Minority interest in consolidated subsidiaries		0

EQUITY CAPITAL

Perpetual preferred stock and related surplus		0
Common stock		1,264
Surplus (exclude all surplus related to preferred stock)		2,070
Retained earnings		6,908
Accumulated other comprehensive income		173
Other equity capital components		0
Total equity capital		10,415
Total liabilities, minority interest, and equity capital		121,797

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

I, Jerry L. Glenn, Vice President & CFO

(Name, Title)

of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Director #1

Director #2

Director #3

Federal Financial Institutions Examination Council

Please refer to page 1,

1

Table of Contents, for
the required disclosure
of estimated burden.

Consolidated Reports of Condition and Income for A Bank With Domestic Offices Only—FFIEC 041

Report at the close of Business June 30, 2008

(20080630)
(RCOV 9999)

This report is required by law: 12 U.S.C. §324 (State member banks); 12 U.S.C. §1817 (State nonmember banks); and 12 U.S.C. §161 (National banks).

This report form is to be filed by banks with domestic offices only. Banks with foreign offices (as defined in the instructions) must file FFIEC 031.

NOTE: Each bank's board of directors and senior management are responsible for establishing and maintaining an effective system of internal control, including controls over the Reports of Condition and Income. The Reports of Condition and Income are to be prepared in accordance with Federal regulatory authority instructions. The Reports of Condition and Income must be signed by the Chief Financial Officer (CFO) of the reporting bank (or by the individual performing an equivalent function) and attested to by not less than two directors (trustees) for State nonmember banks and three directors for State member and National banks.

We, the undersigned directors (trustees), attest to the correctness of the Reports of Condition and Income (including the supporting schedules) for this report date and declare that the Reports of Condition and Income have been examined by us and to the best of our knowledge and belief have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct.

I, the undersigned CFO (or equivalent) of the named bank, attest that the Reports of Condition and Income (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct to the best of my knowledge and belief.

Charles R. Burnett

Director (Trustee)
William D. Jackson

Director (Trustee)
[Signature]

Director (Trustee)

[Signature] SVP & CFO

Signature of Chief Financial Officer (or Equivalent)
July 29, 2008

Date of Signature

Submission of Reports

Each bank must file its Reports of Condition and Income (Call Report) data by either:

To fulfill the signature and attestation requirement for the Reports of Condition and Income for this report date, attach your bank's completed signature page (or a photocopy or a computer-generated version of this page) to the hard-copy record of the data file submitted to the CDR that your bank must place in its files.

- (a) Using computer software to prepare its Call Report and then submitting the report data directly to the FFIEC's Central Data Repository (CDR), an Internet-based system for data collection (<https://cdr.ffiec.gov/cdr/>), or
- (b) Completing its Call Report in paper form and arranging with a software vendor or another party to convert the data into the electronic format that can be processed by the CDR. The software vendor or other party then must electronically submit the bank's data file to the CDR.

The appearance of your bank's hard-copy record of the submitted data file need not match exactly the appearance of the FFIEC's sample report forms, but should show at least the caption of each Call Report item and the reported amount.

For technical assistance with submissions to the CDR, please contact the CDR Help Desk by telephone at (888) CDR-3111, by fax at (301) 495-7864, or by e-mail at CDR.Help@ffiec.gov.

Clover Community Bank

Legal Title of Bank (RSSD 9017)

Clover

City (RSSD 9130)

SC

State Abbrev. (RSSD 9200)

29710

Zip Code (RSSD 9220)

FDIC Certificate Number

27055

(RSSD 9050)

Jerry Glenn

From: cdr@ffiec.gov
Sent: Tuesday, July 29, 2008 4:01 PM
To: Jerry Glenn
Subject: Call Report Submission Status

A Call Report submission for your Institution has been detected by the Central Data Repository.

If error messages are indicated below, your Call Report has NOT been processed correctly. Please contact your software vendor to resolve errors before resubmitting your Call Report.

If no errors are indicated below, your Call Report has been received. It is being processed and no action is required at this time.

Please contact your FFIEC Call Report Analyst with any questions. Please do not reply to this email address.

Instance Document

Financial Institution: CLOVER COMMUNITY BANK
ID_RSSD: 81429
FDIC Certificate Number: 27055
OCC Charter Number: 0
Data Series: call
Reporting Period: 2008-06-30
Report Type: 041
Submission Received: 7/29/2008 3:58:25 PM
Submission Type: Original
Analyst Name: Anne Beavers
Analyst Contact Phone Number: 2028986674
Analyst Email Address: ABeavers@fdic.gov
Error Message:

Thank you for using the Central Data Repository (CDR) system.

Production (2.21.29.5)

7/29/2008

Contact Information for the Reports of Condition and Income

To facilitate communication between the Agencies and the bank concerning the Reports of Condition and Income, please provide contact information for (1) the Chief Financial Officer (or equivalent) of the bank signing the reports for this quarter and (2) the person at the bank - other than the Chief Financial Officer (or equivalent) - to whom questions about the reports should be directed. If the Chief Financial Officer (or equivalent) is the primary contact for questions about the reports, please provide contact information for another person at the bank who will serve as a secondary contact for communications between the Agencies and the bank concerning the Reports of Condition and Income. Enter "none" for the contact's e-mail address or fax number if not available. Contact information for the Reports of Condition and Income is for the confidential use of the Agencies and will not be released to the public.

Chief Financial Officer (or Equivalent) Signing the Reports

Jerry L. Glenn

Name (TEXT C490)

Vice President & CFO

Title (TEXT C491)

jglenn@clovercommunitybank.com

E-mail Address (TEXT C492)

(803) 222-8612

Telephone: Area code/phone number/extension (TEXT C493)

(803) 222-6754

FAX: Area code/phone number (TEXT C494)

Other Person to Whom Questions about the Reports Should be Directed

Gwen M. Thompson

Name (TEXT C495)

President & CEO

Title (TEXT C496)

gthompson@clovercommunitybank.com

E-mail Address (TEXT 4086)

(803) 222-7660

Telephone: Area code/phone number/extension (TEXT 8902)

(803) 222-2922

FAX: Area code/phone number (TEXT 9116)

Emergency Contact Information

This information is being requested so the Agencies can distribute critical, time sensitive information to emergency contacts at banks. Please provide primary contact information for a senior official of the bank who has decision-making authority. Also provide information for a secondary contact if available. Enter "none" for the contact's e-mail address or fax number if not available. Emergency contact information is for the confidential use of the Agencies and will not be released to the public.

Primary Contact

Gwen M. Thompson

Name (TEXT C366)

President & CEO

Title (TEXT C367)

gthompson@clovercommunitybank.com

E-mail Address (TEXT C368)

(803) 222-7660

Telephone: Area code/phone number/extension (TEXT C369)

(803) 222-2922

FAX: Area code/phone number (TEXT C370)

Secondary Contact

Gerald Bolin

Name (TEXT C371)

EVP & COO

Title (TEXT C372)

gbolin@clovercommunitybank.com

E-mail Address (TEXT C373)

(803) 222-7660

Telephone: Area code/phone number/extension (TEXT C374)

(803) 222-2922

FAX: Area code/phone number (TEXT C375)

USA PATRIOT Act Section 314(a) Anti-Money Laundering Contact Information

This information is being requested to identify points-of-contact who are in charge of your depository institution's Section 314(a) searches and who could be contacted by federal law enforcement officers for additional information related to anti-terrorist financing and anti-money laundering. Please provide information for a secondary contact if available. Information for a third and fourth contact may be provided at the bank's option. Enter "none" for the contact's e-mail address or fax number if not available. USA PATRIOT Act contact information is for the confidential use of the Agencies and the Financial Crimes Enforcement Network (FinCEN) and will not be released to the public.

Primary Contact

Lisa Lechner
Name (TEXT C437)
VP & Compliance Officer
Title (TEXT C438)
llechner@clovercommunitybank.com
E-mail Address (TEXT C439)
(803) 222-7660
Telephone: Area code/phone number/extension (TEXT C440)
(803) 222-2922
FAX: Area code/phone number (TEXT C441)

Secondary Contact

Gerald Bolln
Name (TEXT C442)
EVP & COO
Title (TEXT C443)
gbolln@clovercommunitybank.com
E-mail Address (TEXT C444)
(803) 222-7660
Telephone: Area code/phone number/extension (TEXT C445)
(803) 222-2922
FAX: Area code/phone number (TEXT C446)

Third Contact

Name (TEXT C870)

Title (TEXT C871)

E-mail Address (TEXT C872)

Telephone: Area code/phone number/extension (TEXT C873)

FAX: Area code/phone number (TEXT C874)

Fourth Contact

Name (TEXT C875)

Title (TEXT C876)

E-mail Address (TEXT C877)

Telephone: Area code/phone number/extension (TEXT C878)

FAX: Area code/phone number (TEXT C879)

Clover Community Bank

Legal Title of Bank

Clover

City

SC 29710

State Zip Code

FDIC Certificate Number: 27055

Submitted to CDR on 7/29/2008 at 4:00 PM

**Consolidated Report of Income
for the period January 1, 2008 – June 30, 2008**

All Report of Income schedules are to be reported on a calendar year-to-date basis in thousands of dollars.

Schedule RI—Income Statement

	Dollar Amounts in Thousands		
	RIAD	BK MI Thou	
1. Interest Income:			
a. Interest and fee income on loans:			
(1) Loans secured by real estate:			
(a) Loans secured by 1-4 family residential properties	4435	823	1.a.1.a
(b) All other loans secured by real estate	4436	1,955	1.a.1.b
(2) Commercial and industrial loans	4012	435	1.a.2
(3) Loans to individuals for household, family, and other personal expenditures:			
(a) Credit cards	8485	11	1.a.3.a
(b) Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8488	185	1.a.3.b
(4) Loans to foreign governments and official institutions	4056	0	1.a.4
(5) All other loans (1)	4058	0	1.a.5
(6) Total interest and fee income on loans (sum of items 1.a.(1)(a) through 1.a.(5))	4010	3,408	1.a.6
b. Income from lease financing receivables	4065	0	1.b
c. Interest income on balances due from depository institutions (2)	4115	0	1.c
d. Interest and dividend income on securities:			
(1) U.S. Treasury securities and U.S. Government agency obligations (excluding mortgage-backed securities)	8488	93	1.d.1
(2) Mortgage-backed securities	8489	232	1.d.2
(3) All other securities (includes securities issued by states and political subdivisions in the U.S.)	4060	165	1.d.3
e. Interest income from trading assets	4069	0	1.e
f. Interest income on federal funds sold and securities purchased under agreements to resell	4020	24	1.f
g. Other interest income	4518	0	1.g
h. Total interest income (sum of items 1.a.(6) through 1.g)	4107	3,923	1.h
2. Interest expense:			
a. Interest on deposits:			
(1) Transaction accounts (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts)	4508	14	2.a.1
(2) Nontransaction accounts:			
(a) Savings deposits (includes MMDAs)	0093	378	2.a.2.a
(b) Time deposits of \$100,000 or more	A517	318	2.a.2.b
(c) Time deposits of less than \$100,000	A518	593	2.a.2.c
b. Expense of federal funds purchased and securities sold under agreements to repurchase	4180	10	2.b
c. Interest on trading liabilities and other borrowed money	4185	80	2.c

(1) Includes interest and fee income on "Loans to depository institutions and acceptances of other banks," "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

(2) Includes interest income on time certificates of deposit not held for trading.

Schedule RI—Continued

	Year-to-date			
	RIAD	Bl Mil Thou		
Dollar Amounts in Thousands				
2. Interest expense (continued):				
d. Interest on subordinated notes and debentures	4200	0	2.d	
e. Total interest expense (sum of items 2.a through 2.d)	4073	1,389	2.e	
3. Net interest income (item 1.h minus 2.e)			4074	2,634
4. Provision for loan and lease losses			4230	101
5. Noninterest income:				
a. Income from fiduciary activities (1)	4070	0	5.a	
b. Service charges on deposit accounts	4080	512	5.b	
c. Trading revenue (2)	A220	0	5.c	
d. (1) Fees and commissions from securities brokerage	C886	0	5.d.1	
(2) Investment banking, advisory, and underwriting fees and commissions	C888	0	5.d.2	
(3) Fees and commissions from annuity sales	C887	0	5.d.3	
(4) Underwriting income from insurance and reinsurance activities	C386	0	5.d.4	
(5) Income from other insurance activities	C387	0	5.d.5	
e. Venture capital revenue	B491	0	5.e	
f. Net servicing fees	B492	0	5.f	
g. Net securitization income	B493	0	5.g	
h. Not applicable				
i. Net gains (losses) on sales of loans and leases	5416	0	5.i	
j. Net gains (losses) on sales of other real estate owned	5415	0	5.j	
k. Net gains (losses) on sales of other assets (excluding securities)	B496	0	5.k	
l. Other noninterest income*	B497	63	5.l	
m. Total noninterest income (sum of items 5.a through 5.l)			4079	576
6. a. Realized gains (losses) on held-to-maturity securities			3521	0
b. Realized gains (losses) on available-for-sale securities			3196	64
7. Noninterest expense:				
a. Salaries and employee benefits	4135	1,318	7.a	
b. Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest)	4217	295	7.b	
c. (1) Goodwill impairment losses	C216	0	7.c.1	
(2) Amortization expense and impairment losses for other intangible assets	C232	0	7.c.2	
d. Other noninterest expense*	4092	558	7.d	
e. Total noninterest expense (sum of items 7.a through 7.d)			4093	2,169
8. Income (loss) before income taxes and extraordinary items and other adjustments (item 3 plus or minus items 4, 5.m, 6.a, 6.b, and 7.e)			4301	903
9. Applicable income taxes (on item 8)			4302	275
10. Income (loss) before extraordinary items and other adjustments (item 8 minus item 9)			4300	628
11. Extraordinary items and other adjustments, net of income taxes*			4320	0
12. Net income (loss) (sum of items 10 and 11)			4340	628

* Describe on Schedule RI-E—Explanations

- (1) For banks required to complete Schedule RC-T, items 12 through 19, income from fiduciary activities reported in Schedule RI, item 5.a, must equal the amount reported in Schedule RC-T, item 19.
- (2) For banks required to complete Schedule RI, Memorandum item 8, trading revenue reported in Schedule RI, item 5.c, must equal the sum of Memorandum items 8.a through 8.e.

Schedule RI—Continued

Memoranda	Year-to-date				
	RIAD	BI	MI	Thou	
Dollar Amounts In Thousands					
1. Interest expense incurred to carry tax-exempt securities, loans, and leases acquired after August 7, 1986, that is not deductible for federal income tax purposes	4513			0	M.1
2. Income from the sale and servicing of mutual funds and annuities (included in Schedule RI, item 8)	8431			0	M.2
3. Income on tax-exempt loans and leases to states and political subdivisions in the U.S. (Included in Schedule RI, items 1.a and 1.b)	4313			0	M.3
4. Income on tax-exempt securities issued by states and political subdivisions in the U.S. (included in Schedule RI, item 1.d.(3))	4597			134	M.4
5. Number of full-time equivalent employees at end of current period (round to nearest whole number)	4150			48	M.5
<i>Memorandum item 6 is to be completed by: (1)</i>					
• banks with \$300 million or more in total assets, and					
• banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans.					
6. Interest and fee income on loans to finance agricultural production and other loans to farmers (Included in Schedule RI, item 1.a.(5))	4024			N/A	M.6
7. If the reporting bank has restated its balance sheet as a result of applying push down accounting this calendar year, report the date of the bank's acquisition (2)	9106			0	M.7
8. Trading revenue (from cash instruments and derivative instruments) (sum of Memorandum Items 8.a through 8.e must equal Schedule RI, item 5.c) (To be completed by banks that reported average trading assets (Schedule RC-K, item 7) of \$2 million or more for any quarter of the preceding calendar year.):					
a. Interest rate exposures	8757			N/A	M.8.a
b. Foreign exchange exposures	8758			N/A	M.8.b
c. Equity security and Index exposures	8759			N/A	M.8.c
d. Commodity and other exposures	8760			N/A	M.8.d
e. Credit exposures	F186			N/A	M.8.e
9. Net gains (losses) recognized in earnings on credit derivatives that economically hedge credit exposures held outside the trading account:					
a. Net gains (losses) on credit derivatives held for trading	C889			0	M.9.a
b. Net gains (losses) on credit derivatives held for purposes other than trading	C890			0	M.9.b
10. To be completed by banks with \$300 million or more in total assets: (1) Credit losses on derivatives (see Instructions)	A251			N/A	M.10
11. Does the reporting bank have a Subchapter S election in effect for federal income tax purposes for the current tax year?	RIAD	YES / NO			
	A530	NO			M.11
<i>Memorandum item 12 is to be completed by banks that are required to complete Schedule RC-C, part I, Memorandum items 8.b and 8.c.</i>					
12. Noncash income from negative amortization on closed-end loans secured by 1-4 family residential properties (included in Schedule RI, item 1.a.(1)(a))	F228			N/A	M.12
<i>Memorandum item 13 is to be completed by banks that have elected to account for assets and liabilities under a fair value option.</i>					
13. Net gains (losses) recognized in earnings on assets and liabilities that are reported at fair value under a fair value option:					
a. Net gains (losses) on assets	F551			N/A	M.13.a
(1) Estimated net gains (losses) on loans attributable to changes in instrument-specific credit risk	F552			N/A	M.13.a.1
b. Net gains (losses) on liabilities	F553			N/A	M.13.b
(1) Estimated net gains (losses) on liabilities attributable to changes in instrument-specific credit risk	F554			N/A	M.13.b.1

(1) The asset size tests and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

(2) For example, a bank acquired on March 1, 2008, would report 2008/03/01

Schedule RI-A—Changes in Equity Capital

Indicate decreases and losses in parentheses.

	Dollar Amounts in Thousands		
	RIAD	BI MI Thou	
1. Total equity capital most recently reported for the December 31, 2007, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)	3217	9,964	1
2. Restatements due to corrections of material accounting errors and changes in accounting principles*	8507	0	2
3. Balance end of previous calendar year as restated (sum of Items 1 and 2)	8508	9,964	3
4. Net income (loss) (must equal Schedule RI, item 12)	4340	628	4
5. Sale, conversion, acquisition, or retirement of capital stock, net (excluding treasury stock transactions)	8509	0	5
6. Treasury stock transactions, net	8510	0	6
7. Changes incident to business combinations, net	4356	0	7
8. LESS: Cash dividends declared on preferred stock	4470	0	8
9. LESS: Cash dividends declared on common stock	4460	0	9
10. Other comprehensive income (1)	8511	(88)	10
11. Other transactions with parent holding company* (not included in Items 5, 6, 8, or 9 above)	4415	0	11
12. Total equity capital end of current period (sum of Items 3 through 11) (must equal Schedule RC, item 28)	3210	10,603	12

* Describe on Schedule RI-E - Explanations.

(1) Includes changes in net unrealized holding gains (losses) on available-for-sale securities, changes in accumulated net gains (losses) on cash flow hedges, and pension and other postretirement plan-related changes other than net periodic benefit cost.

**Schedule RI-B—Charge-offs and Recoveries on Loans and Leases
and Changes in Allowance for Loan and Lease Losses****Part I. Charge-offs and Recoveries on Loans and Leases**

Part I includes charge-offs and recoveries through the allocated transfer risk reserves.

	(Column A) Charge-offs (1)		(Column B) Recoveries		
	Calendar year-to-date				
	RIAD	BI MI Thou	RIAD	BI MI Thou	
Dollar Amounts in Thousands					
1. Loans secured by real estate:					
a. Construction, land development, and other land loans:					
(1) 1-4 family residential construction loans	C891	115	C892	28	1.a.1
(2) Other construction loans and all land development and other land loans	C893	0	C894	0	1.a.2
b. Secured by farmland	3584	0	3585	0	1.b
c. Secured by 1-4 family residential properties:					
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5411	0	5412	0	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:					
(a) Secured by first liens	C234	5	C217	5	1.c.2.a
(b) Secured by junior liens	C235	0	C218	0	1.c.2.b
d. Secured by multifamily (5 or more) residential properties	3588	0	3589	0	1.d
e. Secured by nonfarm nonresidential properties:					
(1) Loans secured by owner-occupied nonfarm nonresidential properties	C895	0	C896	0	1.e.1
(2) Loans secured by other nonfarm nonresidential properties	C897	0	C898	0	1.e.2
2. Loans to depository institutions and acceptances of other banks	4481	0	4482	0	2
3. Not applicable					
4. Commercial and Industrial loans	4638	0	4608	0	4
5. Loans to individuals for household, family, and other personal expenditures:					
a. Credit cards	8514	0	8515	0	5.a
b. Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8516	14	8517	4	5.b
6. Loans to foreign governments and official institutions	4643	0	4627	0	6
7. All other loans (2)	4644	0	4628	0	7
8. Lease financing receivables	4266	0	4267	0	8
9. Total (sum of items 1 through 8)	4635	134	4605	38	9

(1) Include write-downs arising from transfers of loans to a held-for-sale account.

(2) Includes charge-offs and recoveries on "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

Schedule RI-B Continued

Part I. Continued

Memoranda

Dollar Amounts in Thousands

	(Column A) Charge-offs (1)				(Column B) Recoveries				
	Calendar year-to-date								
	RIAD	BI	MI	Thou	RIAD	BI	MI	Thou	
1. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RI-B, part I, items 4 and 7, above	5409			0	5410			0	M.1
2. Memorandum items 2.a through 2.d are to be completed by banks with \$300 million or more in total assets: (2)									
a. Loans secured by real estate to non-U.S. addressees (domicile) (Included in Schedule RI-B, part I, item 1, above)	4652			N/A	4662			N/A	M.2.a
b. Loans to and acceptances of foreign banks (included in Schedule RI-B, part I, item 2, above)	4654			N/A	4664			N/A	M.2.b
c. Commercial and industrial loans to non-U.S. addressees (domicile) (included in Schedule RI-B, part I, item 4, above)	4646			N/A	4618			N/A	M.2.c
d. Leases to individuals for household, family, and other personal expenditures (included in Schedule RI-B, part I, item 8, above)	F185			N/A	F187			N/A	M.2.d
3. Memorandum item 3 is to be completed by: (2)									
• banks with \$300 million or more in total assets, and									
• banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans: Loans to finance agricultural production and other loans to farmers (Included in Schedule RI-B, part I, item 7, above)									
	4655			N/A	4665			N/A	M.3
Memorandum item 4 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.									
4. Uncollectible retail credit card fees and finance charges reversed against income (i.e., not included in charge-offs against the allowance for loan and lease losses)									M.4

Calendar year-to-date	
RIAD	BI MI Thou
C388	N/A

(1) Include write-downs arising from transfers of loans to a held-for-sale account.
(2) The \$300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

Schedule RI-B Continued

Part II. Changes in Allowance for Loan and Lease Losses

	Dollar Amounts in Thousands		
	RIAD	BI MI Thou	
1. Balance most recently reported for the December 31, 2007, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)	B522	913	1
2. Recoveries (must equal part I, item 9, column B, above)	4605	38	2
3. LESS: Charge-offs (must equal part I, item 9, column A, above less Schedule RI-B, part II, item 4)	C079	134	3
4. LESS: Write-downs arising from transfers of loans to a held-for-sale account	5523	0	4
5. Provision for loan and lease losses (must equal Schedule RI, item 4)	4230	101	5
6. Adjustments* (see instructions for this schedule)	C233	0	6
7. Balance end of current period (sum of items 1, 2, 5, and 6, less items 3 and 4) (must equal Schedule RC, item 4.c)	3123	918	7

Memoranda	Dollar Amounts in Thousands		
	RIAD	BI MI Thou	
1. Allocated transfer risk reserve included in Schedule RI-B, part II, item 7, above <i>Memorandum items 2 and 3 are to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.</i>	C435	0	M.1
2. Separate valuation allowance for uncollectible retail credit card fees and finance charges	C389	N/A	M.2
3. Amount of allowance for loan and lease losses attributable to retail credit card fees and finance charges <i>Memorandum item 4 is to be completed by all banks.</i>	C390	N/A	M.3
4. Amount of allowance for post-acquisition losses on purchased impaired loans accounted for in accordance with AICPA Statement of Position 03-3 (Included in Schedule RI-B, part II, item 7, above)	C781	0	M.4

* Describe on Schedule RI-E--Explanations.

Schedule RI-E—Explanations

Schedule RI-E is to be completed each quarter on a calendar year-to-date basis.

Detail all adjustments in Schedule RI-A and RI-B, all extraordinary items and other adjustments in Schedule RI, and all significant items of other noninterest income and other noninterest expense in Schedule RI. (See Instructions for details.)

		Dollar Amounts In Thousands		Year-to-date		
		RIAD	BA	MI	Thou	
1. Other noninterest income (from Schedule RI, item 5.i)						
Itemize and describe amounts greater than \$25,000 that exceed 3% of Schedule RI, item 5.i:						
TEXT						
a.	Income and fees from the printing and sale of checks	C013			11	1.a
b.	Earnings on/increase in value of cash surrender value of life insurance	C014			37	1.b
c.	Income and fees from automated teller machines (ATMs)	C016			5	1.c
d.	Rent and other income from other real estate owned	4042			0	1.d
e.	Safe deposit box rent	C015			10	1.e
f.	Net change in the fair values of financial instruments accounted for under a fair value option	F229			0	1.f
g.	Bank card and credit card interchange fees	F555			0	1.g
h.	4461			4461	0	1.h
i.	4462			4462	0	1.i
j.	4463			4463	0	1.j
2. Other noninterest expense (from Schedule RI, item 7.d)						
Itemize and describe amounts greater than \$25,000 that exceed 3% of Schedule RI, item 7.d:						
TEXT						
a.	Data processing expenses	C017			0	2.a
b.	Advertising and marketing expenses	0497			33	2.b
c.	Directors' fees	4136			37	2.c
d.	Printing, stationery, and supplies	C018			55	2.d
e.	Postage	8403			37	2.e
f.	Legal fees and expenses	4141			17	2.f
g.	FDIC deposit insurance assessments	4146			6	2.g
h.	Accounting and auditing expenses	F556			36	2.h
i.	Consulting and advisory expenses	F557			0	2.i
j.	Automated teller machine (ATM) and interchange expenses	F558			95	2.j
k.	Telecommunications expenses	F559			33	2.k
l.	4464			4464	0	2.l
m.	4467			4467	0	2.m
n.	4468			4468	0	2.n
3. Extraordinary items and other adjustments and applicable income tax effect (from Schedule RI, item 11) (itemize and describe all extraordinary items and other adjustments):						
TEXT						
a.(1)	4469			4469	0	3.a.1
(2)	Applicable income tax effect	4486		0		3.a.2
b.(1)	4487			4487	0	3.b.1
(2)	Applicable income tax effect	4488		0		3.b.2
c.(1)	4489			4489	0	3.c.1
(2)	Applicable income tax effect	4491		0		3.c.2

Clover Community Bank

Legal Title of Bank

Clover

City

SC

29710

State

Zip Code

FDIC Certificate Number: 27055

Submitted to CDR on 7/29/2008 at 4:00 PM

Consolidated Report of Condition for Insured Commercial and State-Chartered Savings Banks for June 30, 2008

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

Schedule RC—Balance Sheet

		Dollar Amounts in Thousands		RCON	Bl Mil Thou	
ASSETS						
1.	Cash and balances due from depository institutions (from Schedule RC-A):					
a.	Noninterest-bearing balances and currency and coin (1)			0081	3,152	1.a
b.	Interest-bearing balances (2)			0071	585	1.b
2.	Securities:					
a.	Held-to-maturity securities (from Schedule RC-B, column A)			1754	0	2.a
b.	Available-for-sale securities (from Schedule RC-B, column D)			1773	17,290	2.b
3.	Federal funds sold and securities purchased under agreements to resell:					
a.	Federal funds sold			8987	4,894	3.a
b.	Securities purchased under agreements to resell (3)			8989	0	3.b
4.	Loans and lease financing receivables (from Schedule RC-C):					
a.	Loans and leases held for sale			5369	0	4.a
b.	Loans and leases, net of unearned income	8528	93,888			4.b
c.	LESS: Allowance for loan and lease losses	3123	915			4.c
d.	Loans and leases, net of unearned income and allowance (item 4.b minus 4.c)			8529	92,973	4.d
5.	Trading assets (from Schedule RC-D)			3545	0	5
6.	Premises and fixed assets (including capitalized leases)			2145	2,289	6
7.	Other real estate owned (from Schedule RC-M)			2150	1,174	7
8.	Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M)			2130	0	8
9.	Not Applicable					
10.	Intangible assets:					
a.	Goodwill			3163	0	10.a
b.	Other intangible assets (from Schedule RC-M)			0426	0	10.b
11.	Other assets (from Schedule RC-F)			2160	4,179	11
12.	Total assets (sum of items 1 through 11)			2170	128,848	12

(1) Includes cash items in process of collection and unposted debits.

(2) Includes time certificates of deposit not held for trading.

(3) Includes all securities resale agreements, regardless of maturity.

Schedule RC - Continued

Dollar Amounts In Thousands

	RC0N	BI MI THOU	
LIABILITIES			
13. Deposits:			
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E)	2200	107,321	13.a
(1) Noninterest-bearing (1)	6631	13,584	13.a.1
(2) Interest-bearing	6636	93,737	13.a.2
b. Not applicable			
14. Federal funds purchased and securities sold under agreements to repurchase:			
a. Federal funds purchased (2)	8993	0	14.a
b. Securities sold under agreements to repurchase (3)	8995	0	14.b
15. Trading liabilities (from Schedule RC-D)	3548	0	15
16. Other borrowed money (Includes mortgage indebtedness and obligations under capitalized leases) (from Schedule RC-M)	3190	8,000	16
17. and 18. Not applicable			
19. Subordinated notes and debentures (4)	3200	0	19
20. Other liabilities (from Schedule RC-G)	2930	722	20
21. Total liabilities (sum of items 13 through 20)	2948	116,043	21
22. Minority interest in consolidated subsidiaries	3000	0	22
EQUITY CAPITAL			
23. Perpetual preferred stock and related surplus	3838	0	23
24. Common stock	3230	1,264	24
25. Surplus (exclude all surplus related to preferred stock)	3839	2,070	25
26. a. Retained earnings	3632	7,234	26.a
b. Accumulated other comprehensive income (5)	8530	(65)	26.b
27. Other equity capital components (6)	1130	0	27
28. Total equity capital (sum of items 23 through 27)	3210	10,603	28
29. Total liabilities, minority interest, and equity capital (sum of items 21, 22, and 28)	3300	126,646	29

Memorandum

To be reported with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 2007.

RC0N	Number
6724	N/A

M.1

- | | |
|--|---|
| <p>1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank</p> <p>2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)</p> <p>3 = Attestation on bank management's assertion on the effectiveness of the bank's internal control over financial reporting by a certified public accounting firm</p> | <p>4 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)</p> <p>5 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)</p> <p>6 = Review of the bank's financial statements by external auditors</p> <p>7 = Compilation of the bank's financial statements by external auditors</p> <p>8 = Other audit procedures (excluding tax preparation work)</p> <p>9 = No external audit work</p> |
|--|---|

- (1) Includes total demand deposits and noninterest-bearing time and savings deposits.
- (2) Report overnight Federal Home Loan Bank advances in Schedule RC, item 16, "Other borrowed money."
- (3) Includes all securities repurchase agreements, regardless of maturity.
- (4) Includes limited-life preferred stock and related surplus.
- (5) Includes net unrealized holding gains (losses) on available-for-sale securities, accumulated net gains (losses) on cash flow hedges, and minimum pension liability adjustments.
- (6) Includes treasury stock and unearned Employee Stock Ownership Plan shares.

Schedule RC-A—Cash and Balances Due From Depository Institutions

Schedule RC-A is to be completed only by banks with \$300 million or more in total assets.

Exclude assets held for trading.

	Dollar Amounts in Thousands		RCON	Bl MI Thou	
	RCON	Bl MI Thou			
1. Cash items in process of collection, unposted debits, and currency and coin:					
a. Cash items in process of collection and unposted debits	0020			N/A	1.a
b. Currency and coin	0080			N/A	1.b
2. Balances due from depository institutions in the U.S.:					
a. U.S. branches and agencies of foreign banks	0083			N/A	2.a
b. Other commercial banks in the U.S. and other depository institutions in the U.S.	0085			N/A	2.b
3. Balances due from banks in foreign countries and foreign central banks:					
a. Foreign branches of other U.S. banks	0073			N/A	3.a
b. Other banks in foreign countries and foreign central banks	0074			N/A	3.b
4. Balances due from Federal Reserve Banks	0090			N/A	4
5. Total (sum of items 1 through 4) (must equal Schedule RC, sum of items 1.a and 1.b)	0010			N/A	5

Schedule RC-B—Securities

Exclude assets held for trading.

Dollar Amounts in Thousands	Held-to-maturity				Available-for-sale				
	(Column A) Amortized Cost		(Column B) Fair Value		(Column C) Amortized Cost		(Column D) Fair Value		
	RCON	Bl MI Thou	RCON	Bl MI Thou	RCON	Bl MI Thou	RCON	Bl MI Thou	
1. U.S. Treasury securities	0211	0	0213	0	1286	0	1287	0	1
2. U.S. Government agency obligations (exclude mortgage-backed securities):									
a. Issued by U.S. Government- agencies (1)	1289	0	1290	0	1291	0	1293	0	2.a
b. Issued by U.S. Government- sponsored agencies (2)	1294	0	1295	0	1297	2,888	1298	2,911	2.b
3. Securities issued by states and political subdivisions in the U.S.	8496	0	8497	0	8498	5,682	8499	5,692	3

(1) Includes Small Business Administration "Guaranteed Loan Pool Certificates," U.S. Maritime Administration obligations, and Export-Import Bank participation certificates.

(2) Includes obligations (other than mortgage-backed securities) issued by the Farm Credit System, the Federal Home Loan Bank System, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Financing Corporation, Resolution Funding Corporation, the Student Loan Marketing Association, and the Tennessee Valley Authority.

Schedule RC-B—Continued

Dollar Amounts in Thousands	Held-to-maturity						Available-for-sale						
	(Column A) Amortized Cost			(Column B) Fair Value			(Column C) Amortized Cost			(Column D) Fair Value			
	RCON	BB MI Thou		RCON	BB MI Thou		RCON	BB MI Thou		RCON	BB MI Thou		
4. Mortgage-backed securities (MBS):													
a. Pass-through securities:													
(1) Guaranteed by GNMA	1698		0	1699		0	1701		0	1702		0	4.a.1
(2) Issued by FNMA and FHLMC	1703		0	1705		0	1706		8,748	1707		8,593	4.a.2
(3) Other pass-through securities	1709		0	1710		0	1711		0	1713		0	4.a.3
b. Other mortgage-backed securities (Include CMOs, REMICs, and stripped MBS):													
(1) Issued or guaranteed by FNMA, FHLMC, or GNMA	1714		0	1715		0	1716		94	1717		94	4.b.1
(2) Collateralized by MBS issued or guaranteed by FNMA, FHLMC, or GNMA	1718		0	1719		0	1731		0	1732		0	4.b.2
(3) All other mortgage-backed securities	1733		0	1734		0	1735		0	1736		0	4.b.3
5. Asset-backed securities (ABS)	C026		0	C988		0	C989		0	C027		0	5
6. Other debt securities:													
a. Other domestic debt securities	1737		0	1738		0	1739		0	1741		0	6.a
b. Foreign debt securities	1742		0	1743		0	1744		0	1746		0	6.b
7. Investments in mutual funds and other equity securities with readily determinable fair values (1)							AS10		0	AS11		0	7
8. Total (sum of items 1 through 7) (total of column A must equal Schedule RC, item 2.a) (total of column D must equal Schedule RC, item 2.b)	1754		0	1771		0	1772		17,392	1773		17,290	8

(1) Report Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock in Schedule RC-F, item 4.

Schedule RC-B—Continued

Memoranda

	Dollar Amounts in Thousands		
	RCON	BI MI Thou	
1. Pledged securities (1)	0416	4,805	M.1
2. Maturity and repricing data for debt securities (1, 2) (excluding those in nonaccrual status):			
a. Securities issued by the U.S. Treasury, U.S. Government agencies, and states and political subdivisions in the U.S.; other non-mortgage debt securities; and mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of: (3, 4)			
(1) Three months or less	A549	0	M.2.a.1
(2) Over three months through 12 months	A550	722	M.2.a.2
(3) Over one year through three years	A551	829	M.2.a.3
(4) Over three years through five years	A552	1,709	M.2.a.4
(5) Over five years through 15 years	A553	4,582	M.2.a.5
(6) Over 15 years	A554	781	M.2.a.6
b. Mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of: (3, 5)			
(1) Three months or less	A555	37	M.2.b.1
(2) Over three months through 12 months	A556	222	M.2.b.2
(3) Over one year through three years	A557	802	M.2.b.3
(4) Over three years through five years	A558	366	M.2.b.4
(5) Over five years through 15 years	A559	5,540	M.2.b.5
(6) Over 15 years	A560	1,825	M.2.b.6
c. Other mortgage-backed securities (Include CMOs, REMICs, and stripped MBS; exclude mortgage pass-through securities) with an expected average life of: (6)			
(1) Three years or less	A561	94	M.2.c.1
(2) Over three years	A562	0	M.2.c.2
d. Debt securities with a REMAINING MATURITY of one year or less (Included in Memorandum Items 2.a through 2.c above)	A248	722	M.2.d
3. Amortized cost of held-to-maturity securities sold or transferred to available-for-sale or trading securities during the calendar year-to-date (report the amortized cost at date of sale or transfer)	1778	0	M.3
4. Structured notes (Included in the held-to-maturity and available-for-sale accounts in Schedule RC-B, Items 2, 3, 5, and 6):			
a. Amortized cost	8782	414	M.4.a
b. Fair value	8783	412	M.4.b

(1) Includes held-to-maturity securities at amortized cost and available-for-sale securities at fair value.

(2) Exclude investments in mutual funds and other equity securities with readily determinable fair values.

(3) Report fixed rate debt securities by remaining maturity and floating rate debt securities by next repricing date.

(4) Sum of Memorandum Items 2.a.(1) through 2.a.(6) plus any nonaccrual debt securities in the categories of debt securities reported in Memorandum item 2.a that are included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, sum of items 1, 2, 3, 5, and 6, columns A and D, plus mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.

(5) Sum of Memorandum Items 2.b.(1) through 2.b.(6) plus any nonaccrual mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, item 4.a, sum of columns A and D, less the amount of mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.

(6) Sum of Memorandum Items 2.c.(1) and 2.c.(2) plus any nonaccrual "Other mortgage-backed securities" included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, item 4.b, sum of columns A and D.

Schedule RC-B—Continued

Memoranda (continued)

Dollar Amounts in Thousands	Held-to-maturity						Available-for-sale						
	(Column A) Amortized Cost			(Column B) Fair Value			(Column C) Amortized Cost			(Column D) Fair Value			
	RCON	BH	MI Thou	RCON	BH	MI Thou	RCON	BH	MI Thou	RCON	BH	MI Thou	
<i>Memorandum items 5.a through 5.f are to be completed by banks with \$1 billion or more in total assets. (1)</i>													
5. Asset-backed securities (ABS)(for each column, sum of Memorandum items 5.a through 5.f must equal Schedule RC-B, Item 5):													
a. Credit card receivables	B838		N/A	B839		N/A	B840		N/A	B841		N/A	M.5.a
b. Home equity lines	B842		N/A	B843		N/A	B844		N/A	B845		N/A	M.5.b
c. Automobile loans	B846		N/A	B847		N/A	B848		N/A	B849		N/A	M.5.c
d. Other consumer loans	B850		N/A	B851		N/A	B852		N/A	B853		N/A	M.5.d
e. Commercial and industrial loans	B854		N/A	B855		N/A	B856		N/A	B857		N/A	M.5.e
f. Other	B858		N/A	B859		N/A	B860		N/A	B861		N/A	M.5.f

(1) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Loans and Lease Financing Receivables

Part I. Loans and Leases

Do not deduct the allowance for loan and lease losses or the allocated transfer risk risk reserve from amounts reported in this schedule. Report

- (1) loans and leases held for sale at the lower of cost or fair value,
 - (2) loans and leases held for investment, net of unearned income, and
 - (3) loans and leases accounted for at fair value under a fair value option.
- Exclude assets held for trading and commercial paper.

Dollar Amounts in Thousands

	(Column A) To Be Completed by Banks with \$300 Million or More in Total Assets (1)		(Column B) To Be Completed by All Banks		
	RCON	BI MI Thou	RCON	BI MI Thou	
1. Loans secured by real estate:					
a. Construction, land development, and other land loans:					
(1) 1-4 family residential construction loans			F158	8,761	1.a.1
(2) Other construction loans and all land development and other land loans			F159	5,569	1.a.2
b. Secured by farmland (including farm residential and other improvements)			1420	568	1.b
c. Secured by 1-4 family residential properties:					
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit			1797	10,138	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:					
(a) Secured by first liens			5367	18,911	1.c.2.a
(b) Secured by junior liens			9368	441	1.c.2.b
d. Secured by multifamily (5 or more) residential properties			1460	79	1.d
e. Secured by nonfarm nonresidential properties:					
(1) Loans secured by owner-occupied nonfarm nonresidential properties			F160	19,090	1.e.1
(2) Loans secured by other nonfarm nonresidential properties			F161	9,509	1.e.2
2. Loans to depository institutions and acceptances of other banks			1288	0	2
a. To commercial banks in the U.S.:					
(1) To U.S. branches and agencies of foreign banks	B532	N/A			2.a.1
(2) To other commercial banks in the U.S.	B533	N/A			2.a.2
b. To other depository institutions in the U.S.	B534	N/A			2.b
c. To banks in foreign countries:					
(1) To foreign branches of other U.S. banks	B536	N/A			2.c.1
(2) To other banks in foreign countries	B537	N/A			2.c.2
3. Loans to finance agricultural production and other loans to farmers			1590	36	3
4. Commercial and industrial loans			1766	18,469	4
a. To U.S. addressees (domicile)	1763	N/A			4.a
b. To non-U.S. addressees (domicile)	1764	N/A			4.b
5. Not applicable					
6. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):					
a. Credit cards			B538	75	6.a
b. Other revolving credit plans			B539	301	6.b
c. Other consumer loans (includes single payment, installment, and all student loans)			2011	4,096	6.c
7. Loans to foreign governments and official institutions (including foreign central banks)			2081	0	7
8. Obligations (other than securities and leases) of states and political subdivisions in the U.S.			2107	0	8
9. Other Loans			1563	0	9
a. Loans for purchasing or carrying securities (secured and unsecured)	1545	N/A			9.a
b. All other loans (exclude consumer loans)	1564	N/A			9.b

(1) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Continued

Part I. Continued

	(Column A) To Be Completed by Banks with \$300 Million or More in Total Assets (1)		(Column B) To Be Completed by All Banks		
	RCON	BH MH Thou	RCON	BR MI Thou	
10. Lease financing receivables (net of unearned income)			2165	0	10
a. Leases to individuals for household, family, and other personal expenditures (i.e., consumer leases)	F162	N/A			10.a
b. All other leases	F163	N/A			10.b
11. LESS: Any unearned income on loans reflected in items 1-9 above			2123	155	11.
12. Total loans and leases, net of unearned income (sum of items 1 through 10 minus item 11) (must equal Schedule RC, sum of items 4.a and 4.b)			2122	93,888	12

Memoranda

Dollar Amounts in Thousands

	RCON	BH MI Thou	
1. Loans and leases restructured and in compliance with modified terms (included in Schedule RC-C, part I, and not reported as past due or nonaccrual in Schedule RC-N, Memorandum item 1):			
a. Loans secured by 1-4 family residential properties	F576	0	M.1.a
b. Other loans and all leases (exclude loans to individuals for household, family, and other personal expenditures)	1616	0	M.1.b
2. Maturity and repricing data for loans and leases (excluding those in nonaccrual status):			
a. Closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B, above) with a remaining maturity or next repricing date of: (1, 2)			
(1) Three months or less	A564	2,738	M.2.a.1
(2) Over three months through 12 months	A565	3,896	M.2.a.2
(3) Over one year through three years	A566	3,019	M.2.a.3
(4) Over three years through five years	A567	8,307	M.2.a.4
(5) Over five years through 15 years	A568	876	M.2.a.5
(6) Over 15 years	A569	78	M.2.a.6
b. All loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column B, above) EXCLUDING closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B, above) with a remaining maturity or next repricing date of: (1, 3)			
(1) Three months or less	A570	24,848	M.2.b.1
(2) Over three months through 12 months	A571	9,547	M.2.b.2
(3) Over one year through three years	A572	15,397	M.2.b.3
(4) Over three years through five years	A573	16,389	M.2.b.4
(5) Over five years through 15 years	A574	8,393	M.2.b.5
(6) Over 15 years	A575	502	M.2.b.6
c. Loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column B, above) with a REMAINING MATURITY of one year or less (excluding those in nonaccrual status)	A247	23,712	M.2.c

(1) Report fixed rate loans and leases by remaining maturity and floating rate loans by next repricing date.

(2) Sum of Memorandum items 2.a.(1) through 2.a.(6) plus total nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, part I, item 1.c.(2)(a), column B.

(3) Sum of Memorandum items 2.b.(1) through 2.b.(6) plus total nonaccrual loans and leases from Schedule RC-N, sum of items 1 through 8, column C, minus nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total loans and leases from Schedule RC-C, part I, sum of items 1 through 10, column B, minus total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, part I, item 1.c.(2)(a), column B.

Schedule RC-C—Continued

Part I. Continued

Memoranda — Continued	Dollar Amounts in Thousands		RC0N	BO	MII	Thou	
3. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) Included in Schedule RC-C, part I, items 4 and 9, column B (4)	2746	0					M.3
4. Adjustable rate closed-end loans secured by first liens on 1-4 family residential properties (Included in Schedule RC-C, part I, item 1.c.(2)(a), column B)	5370	0					M.4
5. To be completed by banks with \$300 million or more in total assets: (5) Loans secured by real estate to non-U.S. addressees (domicile) (Included in Schedule RC-C, part I, items 1.a through 1.e, column B)	8837	N/A					M.5
<i>Memorandum item 6 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.</i>							
6. Outstanding credit card fees and finance charges included in Schedule RC-C, part I, item 6.a.	C391	N/A					M.6
<i>Memorandum item 7 is to be completed by all banks.</i>							
7. Purchased impaired loans held for investment accounted for in accordance with AICPA Statement of Position 03-3 (exclude loans held for sale):							
a. Outstanding balance	C779	0					M.7.a
b. Carrying amount included in Schedule RC-C, part I, items 1 through 9	C780	0					M.7.b
8. Closed-end loans with negative amortization features secured by 1-4 family residential properties:							
a. Total carrying amount of closed-end loans with negative amortization features secured by 1-4 family residential properties (included in Schedule RC-C, part I, items 1.c.(2)(a) and (b))	F230	0					M.8.a
<i>Memorandum items 8.b and 8.c are to be completed by banks that had closed-end loans with negative amortization features secured by 1-4 family residential properties (as reported in Schedule RC-C, part I, Memorandum item 8.a.) as of December 31, 2007, that exceeded the lesser of \$100 million or 5 percent of total loans and leases, net of unearned income (as reported in Schedule RC-C, part I, item 12, column B).</i>							
b. Total maximum remaining amount of negative amortization contractually permitted on closed-end loans secured by 1-4 family residential properties	F231	N/A					M.8.b
c. Total amount of negative amortization on closed-end loans secured by 1-4 family residential properties included in the carrying amount reported in Memorandum item 8.a above	F232	N/A					M.8.c
9. Loans secured by 1-4 family residential properties in process of foreclosure (Included in Schedule RC-C, part I, items 1.c.(1), 1.c.(2)(a), and 1.c.(2)(b))	F577	0					M.9
10. Loans measured at fair value (Included in Schedule RC-C, part I, items 1 through 9):							
a. Loans secured by real estate:							
(1) Construction, land development, and other land loans	F578	0					M.10.a.1
(2) Secured by farmland (including farm residential and other improvements)	F579	0					M.10.a.2
(3) Secured by 1-4 family residential properties:							
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F580	0					M.10.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:							
(1) Secured by first liens	F581	0					M.10.a.3.b.1
(2) Secured by junior liens	F582	0					M.10.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F583	0					M.10.a.4
(5) Secured by nonfarm nonresidential properties	F584	0					M.10.a.5
b. Commercial and industrial loans	F585	0					M.10.b

(4) Exclude loans secured by real estate that are included in Schedule RC-C, part I, items 1.a through 1.e, column B.

(5) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Continued

Part I. Continued

Memoranda — Continued	Dollar Amounts in Thousands	RCON	BR	NR	Thou	
10. c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):						
(1) Credit cards		F586			0	M.10.c.1
(2) Other revolving credit plans		F587			0	M.10.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)		F588			0	M.10.c.3
d. Other loans		F589			0	M.10.d
11. Unpaid principal balance of loans measured at fair value (reported in Schedule RC-C, part I, Memorandum item 10):						
a. Loans secured by real estate:						
(1) Construction, land development, and other land loans		F590			0	M.11.a.1
(2) Secured by farmland (including farm residential and other improvements)		F591			0	M.11.a.2
(3) Secured by 1-4 family residential properties:						
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit		F592			0	M.11.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:						
(1) Secured by first liens		F593			0	M.11.a.3.b.1
(2) Secured by junior liens		F594			0	M.11.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties		F595			0	M.11.a.4
(5) Secured by nonfarm nonresidential properties		F596			0	M.11.a.5
b. Commercial and industrial loans		F597			0	M.11.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):						
(1) Credit cards		F598			0	M.11.c.1
(2) Other revolving credit plans		F599			0	M.11.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)		F600			0	M.11.c.3
d. Other loans		F601			0	M.11.d

Schedule RC-C—Continued

Part II. Loans to Small Businesses and Small Farms

Schedule RC-C, Part II is to be reported only with the June Report of Condition.

Report the number and amount currently outstanding as of June 30 of business loans with "original amounts" of \$1,000,000 or less and farm loans with "original amounts" of \$500,000 or less. The following guidelines should be used to determine the "original amount" of a loan: (1) For loans drawn down under lines of credit or loan commitments, the "original amount" of the loan is the size of the line of credit or loan commitment when the line of credit or loan commitment was most recently approved, extended, or renewed prior to the report date. However, if the amount currently outstanding as of the report date exceeds this size, the "original amount" is the amount currently outstanding on the report date. (2) For loan participations and syndications, the "original amount" of the loan participation or syndication is the entire amount of the credit originated by the lead lender. (3) For all other loans, the "original amount" is the total amount of the loan at origination or the amount currently outstanding as of the report date, whichever is larger.

Loans to Small Businesses

1. Indicate in the box at the right whether all or substantially all of the dollar volume of your bank's "Loans secured by nonfarm nonresidential properties" reported in Schedule RC-C, part I, items 1.e.(1) and 1.e.(2), and all or substantially all of the dollar volume of your bank's "Commercial and Industrial loans" reported in Schedule RC-C, part I, item 4, (1) have original amounts of \$ 100,000 or less (If your bank has no loans outstanding in BOTH of these two loan categories, place the word "NO" in the box to the right.)

RCON	YES / NO
6999	NO

1

If YES, complete items 2.a and 2.b below, skip items 3 and 4, and go to item 5.

If NO, and your bank has loans outstanding in either loan category, skip items 2.a and 2.b, complete items 3 and 4 below, and go to item 5.

If NO and your bank has no loans outstanding in both loan categories, skip items 2 through 4, and go to item 5.

2. Report the total number of loans currently outstanding for each of the following Schedule RC-C, part I, loan categories:

Number of Loans	
RCON	
5562	N/A
RCON	
5563	N/A

a. "Loans secured by nonfarm nonresidential properties" reported in Schedule RC-C, part I, items 1.e.(1) and 1.e.(2) (Note: Sum of items 1.e.(1) and 1.e.(2) divided by the number of loans should NOT exceed \$100,000.)

2.a

b. "Commercial and Industrial loans" reported in Schedule RC-C, part I, item 4. (1) (Note: Item 4, (1) divided by the number of loans should NOT exceed \$100,000.)

2.b

	(Column A) Number of Loans		(Column B) Amount Currently Outstanding		
	RCON		RCON	Bl Ml Thou	
Dollar Amounts in Thousands					
3. Number and amount currently outstanding of "Loans secured by nonfarm nonresidential properties" reported in Schedule RC-C, part I, items 1.e.(1) and 1.e.(2) (sum of items 3.a through 3.c must be less than or equal to Schedule RC-C, part I, sum of items 1.e.(1) and 1.e.(2)):					
a. With original amounts of \$100,000 or less	5564	32	5565	1,632	3.a
b. With original amounts of more than \$100,000 through \$250,000	5566	28	5567	3,776	3.b
c. With original amounts of more than \$250,000 through \$1,000,000	5568	30	5569	15,050	3.c
4. Number and amount currently outstanding of "Commercial and industrial loans" reported in Schedule RC-C, part I, item 4 (1) (sum of items 4.a through 4.c must be less than or equal to Schedule RC-C, part I, item 4 (1)):					
a. With original amounts of \$100,000 or less	5570	169	5571	4,795	4.a
b. With original amounts of more than \$100,000 through \$250,000	5572	36	5573	4,214	4.b
c. With original amounts of more than \$250,000 through \$1,000,000	5574	18	5575	5,115	4.c

(1) Banks with \$300 million or more in total assets should provide the requested information for "Commercial and industrial loans" based on the loans reported in Schedule RC-C, part I item 4.a, column A, "Commercial and industrial loans to U.S. addressees."

Schedule RC-C—Continued

Part II. Continued

Agricultural Loans to Small Farms

5. Indicate in the box at the right whether all or substantially all of the dollar volume of your bank's "Loans secured by farmland (including farm residential and other improvements)" reported in Schedule RC-C, part I, item 1.b, and all or substantially all of the dollar volume of your bank's "Loans to finance agricultural production and other loans to farmers" reported in Schedule RC-C, part I, item 3, have original amounts of \$100,000 or less (If your bank has no loans outstanding in BOTH of these two loan categories, place the word "NO" in the box to the right.)

RCON	YES / NO
6860	NO

5

If YES, complete items 6.a and 6.b below and do not complete items 7 and 8.

If NO and your bank has loans outstanding in either loan category, skip items 6.a and 6.b and complete items 7 and 8 below.

If NO and your bank has no loans outstanding in both loan categories, do not complete items 6 through 8.

6. Report the total number of loans currently outstanding for each of the following Schedule RC-C, part I, loan categories:

- a. "Loans secured by farmland (including farm residential and other improvements)" reported in Schedule RC-C, part I, item 1.b, (Note: Item 1.b divided by the number of loans should NOT exceed \$100,000.)
- b. "Loans to finance agricultural production and other loans to farmers" reported in Schedule RC-C, part I, item 3 (Note: Item 3 divided by the number of loans should NOT exceed \$100,000.)

Number of Loans	
RCON	
5576	N/A
RCON	
5577	N/A

6.a

6.b

	(Column A) Number of Loans		(Column B) Amount Currently Outstanding		
	RCON		RCON	B\$ M\$ Thou	
Dollar Amounts In Thousands					
7. Number and amount currently outstanding of "Loans secured by farmland (including farm residential and other improvements)" reported in Schedule RC-C, part I, item 1.b (sum of items 7.a through 7.c must be less than or equal to Schedule RC-C, part I, item 1.b):					
a. With original amounts of \$100,000 or less	5578	1	5579	72	7.a
b. With original amounts of more than \$100,000 through \$250,000	5580	2	5581	223	7.b
c. With original amounts of more than \$250,000 through \$500,000	5582	2	5583	273	7.c
8. Number and amount currently outstanding of "Loans to finance agricultural production and other loans to farmers" reported in Schedule RC-C, part I, item 3 (sum of items 8.a through 8.c must be less than or equal to Schedule RC-C, part I, item 3):					
a. With original amounts of \$100,000 or less	5584	2	5585	36	8.a
b. With original amounts of more than \$100,000 through \$250,000	5586	0	5587	0	8.b
c. With original amounts of more than \$250,000 through \$500,000	5588	0	5589	0	8.c

Schedule RC-D - Trading Assets and Liabilities

Schedule RC-D is to be completed by banks that reported average trading assets (Schedule RC-K, Item 7) of \$2 million or more in any of the four preceding calendar quarters.

	Dollar Amounts In Thousands		RCON	Bl MI Thou	
ASSETS					
1. U.S. Treasury securities	3531		N/A		1
2. U.S. Government agency obligations (exclude mortgage-backed securities)	3532		N/A		2
3. Securities issued by states and political subdivisions in the U.S.	3533		N/A		3
4. Mortgage-backed securities (MBS):					
a. Pass-through securities issued or guaranteed by FNMA, FHLMC, or GNMA	3534		N/A		4.a
b. Other mortgage-backed securities issued or guaranteed by FNMA, FHLMC, or GNMA (include CMOs, REMICs, and stripped MBS)	3535		N/A		4.b
c. All other mortgage-backed securities	3536		N/A		4.c
5. Other debt securities	3537		N/A		5
6. Loans:					
a. Loans secured by real estate:					
(1) Construction, land development, and other land loans	F604		N/A		6.a.1
(2) Secured by farmland (including farm residential and other improvements)	F605		N/A		6.a.2
(3) Secured by 1-4 family residential properties:					
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F606		N/A		6.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:					
(1) Secured by first liens	F607		N/A		6.a.3.b.1
(2) Secured by junior liens	F611		N/A		6.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F612		N/A		6.a.4
(5) Secured by nonfarm nonresidential properties	F613		N/A		6.a.5
b. Commercial and industrial loans	F614		N/A		6.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):					
(1) Credit cards	F615		N/A		6.c.1
(2) Other revolving credit plans	F616		N/A		6.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)	F617		N/A		6.c.3
d. Other loans	F618		N/A		6.d
7. and 8. Not applicable					
9. Other trading assets	3541		N/A		9
10. Not applicable					
11. Derivatives with a positive fair value	3543		N/A		11
12. Total trading assets (sum of items 1 through 11) (must equal Schedule RC, item 5)	3545		N/A		12
LIABILITIES					
13. a. Liability for short positions	3546		N/A		13.a
b. Other trading liabilities	F624		N/A		13.b
14. Derivatives with a negative fair value	3547		N/A		14
15. Total trading liabilities (sum of items 13.a through 14) (must equal Schedule RC, item 15)	3548		N/A		15

Schedule RC-D - Continued

Memoranda

Dollar Amounts in Thousands

	RCDN	BI	MI	Thou	
1. Unpaid principal balance of loans measured at fair value (reported in Schedule RC-D, Items 6.a.(1) through 6.d):					
a. Loans secured by real estate:					
(1) Construction, land development, and other land loans	F625			N/A	M.1.a.1
(2) Secured by farmland (including farm residential and other improvements)	F626			N/A	M.1.a.2
(3) Secured by 1-4 family residential properties:					
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F627			N/A	M.1.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:					
(1) Secured by first liens	F628			N/A	M.1.a.3.b.1
(2) Secured by junior liens	F629			N/A	M.1.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F630			N/A	M.1.a.4
(5) Secured by nonfarm nonresidential properties	F631			N/A	M.1.a.5
b. Commercial and industrial loans	F632			N/A	M.1.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):					
(1) Credit cards	F633			N/A	M.1.c.1
(2) Other revolving credit plans	F634			N/A	M.1.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)	F635			N/A	M.1.c.3
d. Other loans	F636			N/A	M.1.d
2. Not applicable					
3. Loans measured at fair value that are past due 90 days or more:(1)					
(a) Fair value	F639			N/A	M.3.a
(b) Unpaid principal balance	F640			N/A	M.3.b
<i>Memorandum items 4 through 10 are to be completed by banks that reported average trading assets (Schedule RC-K, Item 7) of \$1 billion or more in any of the four preceding calendar quarters.(1)</i>					
4. Asset-backed securities:					
a. Residential mortgage-backed securities	F641			N/A	M.4.a
b. Commercial mortgage-backed securities	F642			N/A	M.4.b
c. Credit card receivables	F643			N/A	M.4.c
d. Home equity lines	F644			N/A	M.4.d
e. Automobile loans	F645			N/A	M.4.e
f. Other consumer loans	F646			N/A	M.4.f
g. Commercial and industrial loans	F647			N/A	M.4.g
h. Other	F648			N/A	M.4.h
5. Collateralized debt obligations:					
a. Synthetic	F649			N/A	M.5.a
b. Other	F650			N/A	M.5.b
6. Retained beneficial interests in securitizations (first-loss or equity tranches)	F651			N/A	M.6
7. Equity securities:					
a. Readily determinable fair values	F652			N/A	M.7.a
b. Other	F653			N/A	M.7.b
8. Loans pending securitization	F654			N/A	M.8

(1) NOTE: Completion of Memorandum items 3.a and 3.b and Memorandum items 4 through 10 of Schedule RC-D is optional for the March 31, 2008, report date only. Memorandum items 3.a and 3.b must be completed by all banks and Memorandum items 4 through 10 must be completed by all banks that meet the \$1 billion reporting threshold beginning June 30, 2008.

Schedule RC-D - Continued

Memoranda - Continued

		Dollar Amounts in Thousands	RCON	Bl	Mil	Thou	
9. Other trading assets (itemize and describe amounts included in Schedule RC-D, item 9, that are greater than \$25,000 and exceed 25% of the item):							
TEXT							
a.	F655	N/A					M.9.a
b.	F656	N/A					M.9.b
c.	F657	N/A					M.9.c
10. Other trading liabilities (itemize and describe amounts included in Schedule RC-D, item 13.b, that are greater than \$25,000 and exceed 25% of the item):							
TEXT							
a.	F658	N/A					M.10.a
b.	F659	N/A					M.10.b
c.	F660	N/A					M.10.c

Schedule RC-E—Deposit Liabilities

Dollar Amounts in Thousands	Transaction Accounts				Nontransaction Accounts				
	(Column A) Total transaction accounts (including total demand deposits)		(Column B) Memo: Total demand deposits (included in column A)		(Column C) Total nontransaction accounts (including MMDAs)				
	RCON	BI MI Thou	RCON	BI MI Thou	RCON	BI MI Thou			
Deposits of:									
1. Individuals, partnerships, and corporations (Include all certified and official checks)	B549	28,328			B550	75,220			1
2. U.S. Government	2202	314			2520	779			2
3. States and political subdivisions in the U.S.	2203	2,680			2530	0			3
4. Commercial banks and other depository institutions in the U.S.	B551	0			B552	0			4
5. Banks in foreign countries	2213	0			2236	0			5
6. Foreign governments and official institutions (including foreign central banks)	2216	0			2377	0			6
7. Total (sum of Items 1 through 6) (sum of columns A and C must equal Schedule RC, item 13.a)	2215	\$1,322	2210	13,584	2385	76,999			7

Memoranda

Dollar Amounts in Thousands

	RCON	BI MI Thou	
1. Selected components of total deposits (i.e., sum of item 7, columns A and C):			
a. Total Individual Retirement Accounts (IRAs) and Keogh Plan accounts	6835	7,417	M.1.a
b. Total brokered deposits	2365	0	M.1.b
c. Fully insured brokered deposits (Included in Memorandum item 1.b above): (1)			
(1) Brokered deposits issued in denominations of less than \$100,000	2343	0	M.1.c.1
(2) Brokered deposits issued in denominations of \$100,000 and certain brokered retirement deposit accounts	2344	0	M.1.c.2
d. Maturity data for brokered deposits:			
(1) Brokered deposits issued in denominations of less than \$100,000 with a remaining maturity of one year or less (Included in Memorandum item 1.c.(1) above)	A243	0	M.1.d.1
(2) Brokered deposits issued in denominations of \$100,000 or more with a remaining maturity of one year or less (Included in Memorandum item 1.b above)	A244	0	M.1.d.2
e. Preferred deposits (uninsured deposits of states and political subdivisions in the U.S. reported in Item 3 above which are secured or collateralized as required under state law) (to be completed for the December report only)	5590	N/A	M.1.e
2. Components of total nontransaction accounts (sum of Memorandum items 2.a through 2.c must equal item 7, column C above):			
a. Savings deposits:			
(1) Money market deposit accounts (MMDAs)	6810	17,534	M.2.a.1
(2) Other savings deposits (excludes MMDAs)	0352	12,523	M.2.a.2
b. Total time deposits of less than \$100,000	6648	26,828	M.2.b
c. Total time deposits of \$100,000 or more	2604	19,114	M.2.c
(1) Individual Retirement Accounts (IRAs) and Keogh Plan accounts included in Memorandum item 2.c, "Total time deposits of \$100,000 or more," above	F233	0	M.2.c.1

(1) Report brokered retirement deposit accounts eligible for \$250,000 in deposit insurance coverage in Memorandum item 1.c.(1) only if they have been issued in denominations of less than \$100,000 (see instructions). Report brokered retirement deposit accounts in Memorandum item 1.c.(2) if they have been issued either in denominations of exactly \$100,000 through exactly \$250,000 or in denominations greater than \$250,000 and participated out by the broker in shares of exactly \$100,000 through exactly \$250,000 or less.

Schedule RC-E—Continued

Memoranda (continued)

	Dollar Amounts in Thousands	RC00N	BH ME Thou	
3. Maturity and repricing data for time deposits of less than \$100,000:				
a. Time deposits of less than \$100,000 with a remaining maturity or next repricing date of: (1, 2)				
(1) Three months or less		A579	9,788	M.3.a.1
(2) Over three months through 12 months		A580	14,983	M.3.a.2
(3) Over one year through three years		A581	1,663	M.3.a.3
(4) Over three years		A582	306	M.3.a.4
b. Time deposits of less than \$100,000 with a REMAINING MATURITY of one year or less (included in Memorandum Items 3.a.(1) and 3.a.(2) above) (3)		A241	24,668	M.3.b
4. Maturity and repricing data for time deposits of \$100,000 or more:				
a. Time deposits of \$100,000 or more with a remaining maturity or next repricing date of: (1, 4)				
(1) Three months or less		A584	7,381	M.4.a.1
(2) Over three months through 12 months		A585	10,528	M.4.a.2
(3) Over one year through three years		A586	865	M.4.a.3
(4) Over three years		A587	340	M.4.a.4
b. Time deposits of \$100,000 or more with a REMAINING MATURITY of one year or less (Included in Memorandum Items 4.a.(1) and 4.a.(2) above) (3)		A242	17,803	M.4.b

(1) Report fixed rate time deposits by remaining maturity and floating rate time deposits by next repricing date.

(2) Sum of Memorandum Items 3.a.(1) through 3.a.(4) must equal Schedule RC-E, Memorandum item 2.b.

(3) Report both fixed and floating rate time deposits by remaining maturity. Exclude floating rate time deposits with a next repricing date of one year or less that have a remaining maturity of over one year.

(4) Sum of Memorandum Items 4.a.(1) through 4.a.(4) must equal Schedule RC-E, Memorandum item 2.c.

Schedule RC-F—Other Assets

		Dollar Amounts in Thousands		RCON	BI MI Thou	
1.	Accrued interest receivable (1)			8556	507	1
2.	Net deferred tax assets (2)			2148	205	2
3.	Interest-only strips receivable (not in the form of a security) (3) on:					
a.	Mortgage loans			A519	0	3.a
b.	Other financial assets			A520	0	3.b
4.	Equity securities that DO NOT have readily determinable fair values (4)			1752	687	4
5.	Life insurance assets			C009	2,487	5
6.	All other assets (itemize and describe amounts greater than \$25,000 that exceed 25% of this item)			2168	293	6
	TEXT					
a.	Prepaid Expenses	2166	293			6.a
b.	Repossessed personal property (including vehicles)	1578	0			6.b
c.	Derivatives with a positive fair value held for purposes other than trading	C010	0			6.c
d.	Retained interests in accrued interest receivable related to securitized credit cards	C436	0			6.d
e.	3549	3549	0			6.e
f.	3550	3550	0			6.f
g.	3551	3551	0			6.g
7.	Total (sum of items 1 through 6) (must equal Schedule RC, item 11)			2160	4,179	7

Schedule RC-G—Other Liabilities

		Dollar Amounts in Thousands		RCON	BI MI Thou	
1. a.	Interest accrued and unpaid on deposits (5)			3645	608	1.a
b.	Other expenses accrued and unpaid (includes accrued income taxes payable)			3646	35	1.b
2.	Net deferred tax liabilities (2)			3049	0	2
3.	Allowance for credit losses on off-balance sheet credit exposures			8557	0	3
4.	All other liabilities (itemize and describe amounts greater than \$25,000 that exceed 25% of this item)			2938	79	4
	TEXT					
a.	Accounts Payable	3066	28			4.a
b.	Deferred compensation liabilities	C011	51			4.b
c.	Dividends declared but not yet payable	2932	0			4.c
d.	Derivatives with a negative fair value held for purposes other than trading	C012	0			4.d
e.	3552	3552	0			4.e
f.	3553	3553	0			4.f
g.	3554	3554	0			4.g
5.	Total (sum of items 1 through 4) (must equal Schedule RC, item 20)			2930	722	5

- (1) Includes accrued interest receivable on loans, leases, debt securities, and other interest-bearing assets.
- (2) See discussion of deferred income taxes in Glossary entry on "Income taxes."
- (3) Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule RC, item 2.b, or as trading assets in Schedule RC, item 5, as appropriate.
- (4) Includes Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.
- (5) For savings banks, include "dividends" accrued and unpaid on deposits.

Clover Community Bank

Legal Title of Bank

FDIC Certificate Number: 27055

Submitted to CDR on 7/29/2008 at 4:00 PM

Schedule RC-K—Quarterly Averages (1)

		Dollar Amounts In Thousands		RCON	BI MI Thou	
ASSETS						
1.	Interest-bearing balances due from depository institutions	3381	784			1
2.	U.S. Treasury securities and U.S. Government agency obligations (2) (excluding mortgage-backed securities)	8558	3,298			2
3.	Mortgage-backed securities (2)	8559	9,002			3
4.	All other securities (2, 3) (includes securities issued by states and political subdivisions in the U.S.)	8560	8,774			4
5.	Federal funds sold and securities purchased under agreements to resell	3365	2,775			5
6.	Loans:					
a.	Total loans	3360	90,744			6.a
b.	Loans secured by real estate:					
(1)	Loans secured by 1-4 family residential properties	3465	27,981			6.b.1
(2)	All other loans secured by real estate	3466	41,442			6.b.2
c.	Commercial and industrial loans	3387	16,954			6.c
d.	Loans to individuals for household, family, and other personal expenditures:					
(1)	Credit cards	8561	86			6.d.1
(2)	Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8562	4,367			6.d.2
7.	To be completed by banks with \$100 million or more in total assets: (4) Trading assets	3401	0			7
8.	Lease financing receivables (net of unearned income)	3484	0			8
9.	Total assets (5)	3368	124,289			9
LIABILITIES						
10.	Interest-bearing transaction accounts (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts) (exclude demand deposits)	3485	17,496			10
11.	Nontransaction accounts:					
a.	Savings deposits (includes MMDAs)	8563	30,805			11.a
b.	Time deposits of \$100,000 or more	A514	15,117			11.b
c.	Time deposits of less than \$100,000	A529	29,063			11.c
12.	Federal funds purchased and securities sold under agreements to repurchase	3353	128			12
13.	To be completed by banks with \$100 million or more in total assets: (4) Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)	3355	8,000			13

Memorandum

		Dollar Amounts In Thousands		RCON	BI MI Thou	
1.	Memorandum Item 1 is to be completed by: (4) • banks with \$300 million or more in total assets, and • banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, Item 3) exceeding five percent of total loans. Loans to finance agricultural production and other loans to farmers	3386	N/A			M.1

- (1) For all items, banks have the option of reporting either (1) an average of DAILY figures for the quarter, or (2) an average of WEEKLY figures (i.e., the Wednesday of each week of the quarter).
- (2) Quarterly averages for all debt securities should be based on amortized cost.
- (3) Quarterly averages for all equity securities should be based on historical cost.
- (4) The asset size tests and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.
- (5) The quarterly average for total assets should reflect all debt securities (not held for trading) at amortized cost, equity securities with readily determinable fair values at the lower of cost or fair value, and equity securities without readily determinable fair values at historical cost.

Schedule RC-L—Derivatives and Off-Balance Sheet Items

Please read carefully the instructions for the preparation of Schedule RC-L. Some of the amounts reported in Schedule RC-L are regarded as volume indicators and not necessarily as measures of risk.

Dollar Amounts in Thousands

		RC0N	BI MI Thou			
1. Unused commitments:						
a. Revolving, open-end lines secured by 1-4 family residential properties, e.g., home equity lines		3814	10,085	1.a		
b. Credit card lines		3815	277	1.b		
c. (1) Commitments to fund commercial real estate, construction, and land development loans secured by real estate:						
(a) 1-4 family residential construction loan commitments		F164	5,476	1.c.1.a		
(b) Commercial real estate, other construction loan, and land development loan commitments		F165	5,785	1.c.1.b		
(2) Commitments to fund commercial real estate, construction, and land development loans NOT secured by real estate		6590	0	1.c.2		
d. Securities underwriting		3817	0	1.d		
e. Other unused commitments		3818	2,875	1.e		
2. Financial standby letters of credit		3819	448	2		
a. Amount of financial standby letters of credit conveyed to others	3820	0		2.a		
3. Performance standby letters of credit		3821	0	3		
a. Amount of performance standby letters of credit conveyed to others	3822	0		3.a		
4. Commercial and similar letters of credit		3411	0	4		
5. Not applicable						
6. Securities lent (including customers' securities lent where the customer is indemnified against loss by the reporting bank)		3433	0	6		
7. Credit derivatives:						
a. Notional amounts:						
(1) Credit default swaps		C968	0	C969	0	7.a.(1)
(2) Total return swaps		C970	0	C971	0	7.a.(2)
(3) Credit options		C972	0	C973	0	7.a.(3)
(4) Other credit derivatives		C974	0	C975	0	7.a.(4)
b. Gross fair values:						
(1) Gross positive fair value		C219	0	C221	0	7.b.(1)
(2) Gross negative fair value		C220	0	C222	0	7.b.(2)
8. Spot foreign exchange contracts		8765	0		8	
9. All other off-balance sheet liabilities (exclude derivatives) (Itemize and describe each component of this item over 25% of Schedule RC, item 28, "Total equity capital")		3430	0		9	
TEXT						
a. Securities borrowed	3432	0			9.a	
b. Commitments to purchase when-issued securities	3434	0			9.b	
c. Standby letters of credit issued by a Federal Home Loan Bank on the bank's behalf	C978	0			9.c	
d. 3555		3555	0		9.d	
e. 3556		3556	0		9.e	
f. 3557		3557	0		9.f	
10. All other off-balance sheet assets (exclude derivatives) (Itemize and describe each component of this item over 25% of Schedule RC, item 28, "Total equity capital")		5591	0		10	
TEXT						
a. Commitments to sell when-issued securities	3435	0			10.a	
b. 5592		5592	0		10.b	
c. 5593		5593	0		10.c	
d. 5594		5594	0		10.d	
e. 5595		5595	0		10.e	

Schedule RC-L—Continued

Dollar Amounts in Thousands

		RCON	Tri	Bl	Mt	Thou	
11. Year-to-date merchant credit card sales volume:							
a. Sales for which the reporting bank is the acquiring bank		C223				0	11.a
b. Sales for which the reporting bank is the agent bank with risk		C224				0	11.b
Derivatives Position Indicators							
	(Column A) Interest Rate Contracts						
	(Column B) Foreign Exchange Contracts						
	(Column C) Equity Derivative Contracts						
	(Column D) Commodity and Other Contracts						
12. Gross amounts (e.g., notional amounts) (for each column, sum of items 12.a through 12.e must equal sum of items 13 and 14):							
	Tri Bl Mt Thou						
	RCON 8693	RCON 8694	RCON 8695	RCON 8696			
a. Futures contracts	0	0	0	0			12.a
	RCON 8697	RCON 8698	RCON 8699	RCON 8700			
b. Forward contracts	0	0	0	0			12.b
c. Exchange-traded option contracts:	RCON 8701	RCON 8702	RCON 8703	RCON 8704			
(1) Written options	0	0	0	0			12.c.1
	RCON 8705	RCON 8706	RCON 8707	RCON 8708			
(2) Purchased options	0	0	0	0			12.c.2
d. Over-the-counter option contracts:	RCON 8709	RCON 8710	RCON 8711	RCON 8712			
(1) Written options	0	0	0	0			12.d.1
	RCON 8713	RCON 8714	RCON 8715	RCON 8716			
(2) Purchased options	0	0	0	0			12.d.2
	RCON 3450	RCON 3826	RCON 8719	RCON 8720			
e. Swaps	0	0	0	0			12.e
13. Total gross notional amount of derivative contracts held for trading	RCON A126	RCON A127	RCON 8723	RCON 8724			13
	0	0	0	0			
14. Total gross notional amount of derivative contracts held for purposes other than trading	RCON 8725	RCON 8726	RCON 8727	RCON 8728			14
	0	0	0	0			
a. Interest rate swaps where the bank has agreed to pay a fixed rate	RCON A589						14.a
	0						
15. Gross fair values of derivative contracts:							
a. Contracts held for trading:	RCON 8733	RCON 8734	RCON 8735	RCON 8736			
(1) Gross positive fair value	0	0	0	0			15.a.1
	RCON 8737	RCON 8738	RCON 8739	RCON 8740			
(2) Gross negative fair value	0	0	0	0			15.a.2
b. Contracts held for purposes other than trading:	RCON 8741	RCON 8742	RCON 8743	RCON 8744			
(1) Gross positive fair value	0	0	0	0			15.b.1
	RCON 8745	RCON 8746	RCON 8747	RCON 8748			
(2) Gross negative fair value	0	0	0	0			15.b.2

Schedule RC-M—Memoranda

		Dollar Amounts in Thousands		RCON	BR	MI	Thou	
1. Extensions of credit by the reporting bank to its executive officers, directors, principal shareholders, and their related interests as of the report date:								
a. Aggregate amount of all extensions of credit to all executive officers, directors, principal shareholders, and their related interests		6164					2,218	1.a
b. Number of executive officers, directors, and principal shareholders to whom the amount of all extensions of credit by the reporting bank (including extensions of credit to related interests) equals or exceeds the lesser of \$500,000 or 5 percent of total capital as defined for this purpose in agency regulations		RCON	Number					
		6165	2					1.b
2. Intangible assets other than goodwill:								
a. Mortgage servicing assets		3164					0	2.a
(1) Estimated fair value of mortgage servicing assets		A590	0					2.a.1
b. Purchased credit card relationships and nonmortgage servicing assets		8026					0	2.b
c. All other identifiable intangible assets		5507					0	2.c
d. Total (sum of items 2.a, 2.b, and 2.c) (must equal Schedule RC, item 10.b)		0426					0	2.d
3. Other real estate owned:								
a. Direct and indirect investments in real estate ventures		5372					0	3.a
b. All other real estate owned:								
(1) Construction, land development, and other land		5508					0	3.b.1
(2) Farmland		5509					0	3.b.2
(3) 1-4 family residential properties		5510					1,174	3.b.3
(4) Multifamily (5 or more) residential properties		5511					0	3.b.4
(5) Nonfarm nonresidential properties		5512					0	3.b.5
(6) Foreclosed properties from "GNMA loans"		C979					0	3.b.6
c. Total (sum of items 3.a and 3.b) (must equal Schedule RC, item 7)		2150					1,174	3.c
4. Investments in unconsolidated subsidiaries and associated companies:								
a. Direct and indirect investments in real estate ventures		5374					0	4.a
b. All other investments in unconsolidated subsidiaries and associated companies		5375					0	4.b
c. Total (sum of items 4.a and 4.b) (must equal Schedule RC, item 8)		2130					0	4.c
5. Other borrowed money:								
a. Federal Home Loan Bank advances:								
(1) Advances with a remaining maturity or next repricing date of: (1)								
(a) One year or less		F055					0	5.a.1.a
(b) Over one year through three years		F056					8,000	5.a.1.b
(c) Over three years through five years		F057					0	5.a.1.c
(d) Over five years		F058					0	5.a.1.d
(2) Advances with a REMAINING MATURITY of one year or less (included in item 5.a.(1)(a) above) (2)		2651					0	5.a.2
(3) Structured advances (included in items 5.a.(1)(a) - (d) above)		F059					0	5.a.3
b. Other borrowings:								
(1) Other borrowings with a remaining maturity or next repricing date of: (3)								
(a) One year or less		F060					0	5.b.1.a
(b) Over one year through three years		F061					0	5.b.1.b
(c) Over three years through five years		F062					0	5.b.1.c
(d) Over five years		F063					0	5.b.1.d
(2) Other borrowings with a REMAINING MATURITY of one year or less (included in item 5.b.(1)(a) above) (4)		B571					0	5.b.2
c. Total (sum of items 5.a.(1)(a)-(d) and items 5.b.(1)(a)-(d)) (must equal Schedule RC, item 16)		3190					8,000	5.c

- (1) Report fixed rate advances by remaining maturity and floating rate advances by next repricing date.
(2) Report both fixed and floating rate advances by remaining maturity. Exclude floating rate advances with a next repricing date of one year or less that have a remaining maturity of over one year.
(3) Report fixed rate other borrowings by remaining maturity and floating rate other borrowings by next repricing date.
(4) Report both fixed and floating rate other borrowings by remaining maturity. Exclude floating rate other borrowings with a next repricing date of one year or less that have a remaining maturity of over one year.

Clover Community Bank

Legal Title of Bank

FDIC Certificate Number: 27055
 Submitted to CDR on 7/29/2008 at 4:00 PM

Schedule RC-M—Continued

	Dollar Amounts in Thousands	RCON	YES / NO	
6. Does the reporting bank sell private label or third party mutual funds and annuities?		8569	NO	6
7. Assets under the reporting bank's management in proprietary mutual funds and annuities		RCON 8570	BI MI Thou 0	7
8. Primary Internet Web site address of the bank (home page), if any (Example: www.examplebank.com) (TEXT #087) http://clovercommunitybank.com				8
9. Do any of the bank's Internet Web sites have transactional capability, i.e., allow the bank's customers to execute transactions on their accounts through the Web site?		RCON 4088	YES / NO YES	9
10. Secured liabilities:		RCON	BI MI Thou	
a. Amount of "Federal funds purchased" that are secured (Included in Schedule RC, item 14.a)		F064	0	10.a
b. Amount of "Other borrowings" that are secured (included in Schedule RC-M, items 5.b.(1)(a)-(d))		F065	0	10.b

Schedule RC-N—Past Due and Nonaccrual Loans, Leases, and Other Assets

	(Column A) Past due 30 through 89 days and still accruing				(Column B) Past due 90 days or more and still accruing				(Column C) Nonaccrual				
	RCON	BI	MI	Thou	RCON	BI	MI	Thou	RCON	BI	MI	Thou	
Dollar Amounts in Thousands													
1. Loans secured by real estate:													
a. Construction, land development, and other land loans:													
(1) 1-4 family residential construction loans	F172		0		F174		0		F176		0		1.a.1
(2) Other construction loans and all land development and other land loans	F173		0		F175		0		F177		0		1.a.2
b. Secured by farmland	3493		0		3494		0		3495		0		1.b
c. Secured by 1-4 family residential properties:													
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5398		0		5399		0		5400		0		1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:													
(a) Secured by first liens	C236		63		C237		0		C229		0		1.c.2.a
(b) Secured by junior liens	C238		0		C239		0		C230		0		1.c.2.b
d. Secured by multifamily (5 or more) residential properties	3499		0		3500		0		3501		0		1.d
e. Secured by nonfarm nonresidential properties:													
(1) Loans secured by owner-occupied nonfarm nonresidential properties	F178		72		F180		0		F182		0		1.e.1
(2) Loans secured by other nonfarm nonresidential properties	F179		0		F181		0		F183		0		1.e.2
2. Loans to depository institutions and acceptances of other banks	8834		0		8835		0		8836		0		2
3. Not applicable													
4. Commercial and industrial loans	1606		251		1607		0		1608		49		4
5. Loans to individuals for household, family, and other personal expenditures:													
a. Credit cards	8575		0		8576		0		8577		0		5.a
b. Other (Includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8578		72		8579		0		8580		8		5.b
6. Loans to foreign governments and official institutions	5389		0		5390		0		5391		0		6
7. All other loans (1)	5459		0		5460		0		5461		0		7
8. Lease financing receivables	1226		0		1227		0		1228		0		8
9. Debt securities and other assets (exclude other real estate owned and other repossessed assets)	3505		0		3506		0		3507		0		9

(1) Includes past due and nonaccrual "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

Clover Community Bank

Legal Title of Bank

FDIC Certificate Number: 27055

Submitted to CDR on 7/29/2008 at 4:00 PM

Schedule RC-N—Continued

Amounts reported in Schedule RC-N, items 1 through 8, above include guaranteed and unguaranteed portions of past due and nonaccrual loans and leases. Report in item 10 below certain guaranteed loans and leases that have already been included in the amounts reported in items 1 through 8.

	(Column A) Past due 30 through 89 days and still accruing			(Column B) Past due 90 days or more and still accruing			(Column C) Nonaccrual			
	RC0N	BI MI Thou	Thou	RC0N	BI MI Thou	Thou	RC0N	BI MI Thou	Thou	
Dollar Amounts in Thousands										
10. Loans and leases reported in items 1 through 8 above which are wholly or partially guaranteed by the U.S. Government	5612		0	5613		0	5614		0	10
a. Guaranteed portion of loans and leases included in item 10 above (exclude rebooked "GNMA loans")	5615		0	5616		0	5617		0	10.a
b. Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase included in item 10 above	C866		0	C867		0	C868		0	10.b

Schedule RC-N—Continued

Memoranda	Dollar Amounts in Thousands												
	(Column A) Past due 30 through 89 days and still accruing				(Column B) Past due 90 days or more and still accruing				(Column C) Nonaccrual				
	RCON	BI	MI	Thou	RCON	BI	MI	Thou	RCON	BI	MI	Thou	
1. Restructured loans and leases included in Schedule RC-N, Items 1 through 8, above (and not reported in Schedule RC-C, Part I, Memorandum item 1):													
a. Loans secured by 1-4 family residential properties	F661			0	F662			0	F663			0	M.1.a
b. Other loans and all leases (exclude loans to individuals for household, family, and other personal expenditures)	1658			0	1659			0	1661			0	M.1.b
2. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RC-N, items 4 and 7, above	6558			0	6559			0	6560			0	M.2
3. Memorandum items 3.a through 3.d are to be completed by banks with \$300 million or more in total assets: (1)													
a. Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RC-N, item 1, above)	1248			N/A	1249			N/A	1250			N/A	M.3.a
b. Loans to and acceptances of foreign banks (included in Schedule RC-N, item 2, above)	5380			N/A	5381			N/A	5382			N/A	M.3.b
c. Commercial and industrial loans to non-U.S. addressees (domicile) (included in Schedule RC-N, item 4, above)	1254			N/A	1255			N/A	1256			N/A	M.3.c
d. Leases to individuals for household, family, and other personal expenditures (included in Schedule RC-N, item 8, above)	F166			N/A	F167			N/A	F168			N/A	M.3.d
Memorandum item 4 is to be completed by: (1)													
• banks with \$300 million or more in total assets													
• banks with less than \$300 million or more in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans:													
4. Loans to finance agricultural production and other loans to farmers (included in Schedule RC-N, item 7, above)	1594			N/A	1597			N/A	1583			N/A	M.4
5. Loans and leases held for sale and loans measured at fair value (included Schedule RC-N, items 1 through 8, above):													
a. Loans and leases held for sale	C240			0	C241			0	C226			0	M.5.a
b. Loans measured at fair value:(1)													
(1) Fair value	F664			0	F665			0	F666			0	M.5.b.1
(2) Unpaid principal balance	F667			0	F668			0	F669			0	M.5.b.2

(1) NOTE: Completion of Memorandum items 5.b.(1) and (2) of Schedule RC-N is optional for the March 31, 2008, report date only. These items must be completed by all banks beginning June 30, 2008.

Schedule RC-N—Continued

Memoranda—Continued

Dollar Amounts in Thousands	(Column A) Past due 30 through 89 days				(Column B) Past due 90 days or more				
	RCON	B4	M4	Thou	RCON	B4	M4	Thou	
<i>Memorandum Item 6 is to be completed by banks with \$300 million or more in total assets: (1)</i>									
6. Interest rate, foreign exchange rate, and other commodity and equity contracts:									
Fair value of amounts carried as assets	3529			N/A	3530			N/A	M.6
7. Additions to nonaccrual assets during the quarter					RCON				
					C410			8	M.7
8. Nonaccrual assets sold during the quarter					RCON				
					C411			0	M.8

(1) The \$300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

Schedule RC-O—Other Data for Deposit Insurance and FICO Assessments

All banks must complete items 1 and 2, Memorandum item 1, and, if applicable, Memorandum items 2 and 3 each quarter. Each bank that reported \$1 billion or more in total assets in its March 31, 2007, Report of Condition must complete items 4 and 5 each quarter. In addition, each bank that reported \$1 billion or more in total assets in two consecutive Reports of Condition beginning with its June 30, 2007, report must begin to complete items 4 and 5 each quarter starting six months after the second consecutive quarter in which it reports total assets of \$1 billion or more. Each bank that becomes insured by the FDIC on or after April 1, 2007, must complete items 4 and 5 each quarter. Any other bank may choose to complete items 4 and 5, but the bank must then continue to complete items 4 and 5 each quarter thereafter.

	Dollar Amounts in Thousands		RCON	BI MI Thou	
1. Total deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations	F236	107,930			1
2. Total allowable exclusions	F237	0			2
3. Not applicable					
4. Total daily average of deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations	F238	N/A			4
5. Total daily average of allowable exclusions	F239	N/A			5

Memoranda

	Dollar Amounts in Thousands		RCON	BI MI Thou	
1. Total deposits of the bank (sum of Memorandum items 1.a.(1), 1.b.(1), 1.c.(1), and 1.d.(1) must equal Schedule RC-O, and Item 1 less Item 2):					
a. Deposit accounts (excluding retirement accounts) of \$100,000 or less (1)					
(1) Amount of deposit accounts (excluding retirement accounts) of \$100,000 or less	F049	57,449			M.1.a.1
(2) Number of deposit accounts (excluding retirement accounts) of \$100,000 or less (to be completed for the June report only)	RCON	Number			
	F050	8,802			M.1.a.2
b. Deposit accounts (excluding retirement accounts) of more than \$100,000: (1)					
(1) Amount of deposit accounts (excluding retirement accounts) of more than \$100,000	F051	43,040			M.1.b.1
(2) Number of deposit accounts (excluding retirement accounts) of more than \$100,000	RCON	Number			
	F052	206			M.1.b.2
c. Retirement deposit accounts of \$250,000 or less: (1)					
(1) Amount of retirement deposit accounts of \$250,000 or less	F045	7,440			M.1.c.1
(2) Number of retirement deposit accounts of \$250,000 or less (to be completed for the June report only)	RCON	Number			
	F046	319			M.1.c.2
d. Retirement deposit accounts of more than \$250,000: (1)					
(1) Amount of retirement deposit accounts of more than \$250,000	F047	0			M.1.d.1
(2) Number of retirement deposit accounts of more than \$250,000	RCON	Number			
	F048	0			M.1.d.2
Memorandum item 2 is to be completed by banks with \$1 billion or more in total assets. (2)					
2. Estimated amount of uninsured deposits (see instructions)	5597	N/A			M.2

3. Has the reporting institution been consolidated with a parent bank or savings association in that parent bank's or parent saving association's Call Report or Thrift Financial Report? If so, report the legal title and FDIC Certificate Number of the parent bank or parent savings association:

TEXT	RCON	FDIC Cert No.	
A545	A545	0	M.3

- (1) The dollar amounts used as the basis for reporting in Memoranda items 1.a through 1.d reflect the deposit insurance limits in effect on the report date.
- (2) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-P—1-4 Family Residential Mortgage Banking Activities

Schedule RC-P is to be completed by (1) all banks with \$1 billion or more in total assets¹ and (2) banks with less than \$1 billion in total assets at which either 1-4 family residential mortgage loan originations and purchases for resale² from all sources, loan sales, or quarter-end loans held for sale exceed \$10 million for two consecutive quarters.

NOTE: Completion of items 1.c.(1) and (2), 2.c.(1) and (2), 3.c.(1) and (2), 4.c.(1) and (2), 5.b, and 6.c.(1) and (2) of Schedule RC-P is optional for the March 31, 2008, report data only. These items must be completed by all banks required to complete Schedule RC-P beginning June 30, 2008.

	Dollar Amounts in Thousands		
	RCON	Bl Mll Thou	
1. Retail originations during the quarter of closed-end 1-4 family residential mortgage loans for sale:(2)			
a. Closed-end first liens	F066	N/A	1.a
b. Closed-end junior liens	F067	N/A	1.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F670	N/A	1.c.1
(2) Principal amount funded under the lines of credit	F671	N/A	1.c.2
2. Wholesale originations and purchases during the quarter of 1-4 family residential mortgage loans for sale:(2)			
a. Closed-end first liens	F068	N/A	2.a
b. Closed-end junior liens	F069	N/A	2.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F672	N/A	2.c.1
(2) Principal amount funded under the lines of credit	F673	N/A	2.c.2
3. 1-4 family residential mortgage loans sold during the quarter:			
a. Closed-end first liens	F070	N/A	3.a
b. Closed-end junior liens	F071	N/A	3.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F674	N/A	3.c.1
(2) Principal amount funded under the lines of credit	F675	N/A	3.c.2
4. 1-4 family residential mortgage loans held for sale at quarter-end (included in Schedule RC, Item 4.a):			
a. Closed-end first liens	F072	N/A	4.a
b. Closed-end junior liens	F073	N/A	4.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F676	N/A	4.c.1
(2) Principal amount funded under the lines of credit	F677	N/A	4.c.2
5. Noninterest income for the quarter from the sale, securitization, and servicing of 1-4 family residential mortgage loans (Included in Schedule RI, Items 5.f, 5.g, and 5.i):	RIAD		
a. Closed-end 1-4 family residential mortgage loans	F184	N/A	5.a
b. Open-end 1-4 family residential mortgage loans extended under lines of credit	F560	N/A	5.b
6. Repurchases and indemnifications of 1-4 family residential mortgage loans during the quarter:	RCON		
a. Closed-end first liens	F678	N/A	6.a
b. Closed-end junior liens	F679	N/A	6.b
c. Open-end loans extended under line of credit:			
(1) Total commitment under the lines of credit	F680	N/A	6.c.1
(2) Principal amount funded under the lines of credit	F681	N/A	6.c.2

(1) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

(2) Exclude originations and purchases of 1-4 family residential mortgage loans that are held for investment.

Schedule RC-Q—Financial Assets and Liabilities Measured at Fair Value

Schedule RC-Q is to be completed by banks that have adopted FASB Statement No. 157, "Fair Value Measurements," and (1) have elected to account for financial instruments or servicing assets and liabilities at fair value under a fair value option or (2) are required to complete Schedule RC-D—Trading Assets and Liabilities.

Fair Value Measurements for Assets and Liabilities under a Fair Value Option and Trading Assets and Liabilities (Included in Schedule RC)																
	(Column A) Total Fair Value Reported on Schedule RC			(Column B) LESS: Amounts Netted in the Determination of Total Fair Value			(Column C) Level 1 Fair Value Measurements			(Column D) Level 2 Fair Value Measurements			(Column E) Level 3 Fair Value Measurements			
	RCON	BI MI Thou	Thou	RCON	BI MI Thou	Thou	RCON	BI MI Thou	Thou	RCON	BI MI Thou	Thou	RCON	BI MI Thou	Thou	
ASSETS																
1. Loans and leases	F243	N/A	F682	N/A	F690	N/A	F244	N/A	F245	N/A						1
2. Trading assets	F246	N/A	F683	N/A	F691	N/A	F247	N/A	F248	N/A						2
a. Nontrading securities at fair value with changes in fair value reported in current earnings (included in Schedule RC-Q, Item 2, above)	F240	N/A	F684	N/A	F692	N/A	F241	N/A	F242	N/A						2.a
3. All other financial assets and servicing assets	F249	N/A	F685	N/A	F693	N/A	F250	N/A	F251	N/A						3
LIABILITIES																
4. Deposits	F252	N/A	F686	N/A	F694	N/A	F253	N/A	F254	N/A						4
5. Trading liabilities	F255	N/A	F687	N/A	F695	N/A	F256	N/A	F257	N/A						5
6. All other financial liabilities and and servicing liabilities	F258	N/A	F688	N/A	F696	N/A	F259	N/A	F260	N/A						6
7. Loan commitments (not accounted for as derivatives)	F261	N/A	F689	N/A	F697	N/A	F262	N/A	F263	N/A						7

Schedule RC-R—Regulatory Capital

Dollar Amounts in Thousands

	RCON	Bl MR Thou		
Tier 1 capital				
1. Total equity capital (from Schedule RC, Item 28)	3210	10,603	1	
2. LESS: Net unrealized gains (losses) on available-for-sale securities (1) (if a gain, report as a positive value; if a loss, report as a negative value)	8434	(65)	2	
3. LESS: Net unrealized loss on available-for-sale EQUITY securities (1) (report loss as a positive value)	A221	0	3	
4. LESS: Accumulated net gains (losses) on cash flow hedges (1) (if a gain, report as a positive value; if a loss, report as a negative value)	4336	0	4	
5. LESS: Nonqualifying perpetual preferred stock	B588	0	5	
6. Qualifying minority interests in consolidated subsidiaries	B589	0	6	
7.a. LESS: Disallowed goodwill and other disallowed intangible assets	B590	0	7.a	
b. LESS: Cumulative change in fair value of all financial liabilities accounted for under a fair value option that is included in retained earnings and is attributable to changes in the bank's own creditworthiness (if a net gain, report as a positive value; if a net loss, report as a negative value)	F264	0	7.b	
8. Subtotal (sum of items 1 and 6, less items 2, 3, 4, 5, 7.a, and 7.b)	C227	10,568	8	
9.a. LESS: Disallowed servicing assets and purchased credit card relationships	B591	0	9.a	
b. LESS: Disallowed deferred tax assets	5610	0	9.b	
10. Other additions to (deductions from) Tier 1 capital	B592	0	10	
11. Tier 1 capital (sum of items 8 and 10, less items 9.a and 9.b)	8274	10,568	11	
Tier 2 capital				
12. Qualifying subordinated debt and redeemable preferred stock	5306	0	12	
13. Cumulative perpetual preferred stock includible in Tier 2 capital	B593	0	13	
14. Allowance for loan and lease losses includible in Tier 2 capital	5310	915	14	
15. Unrealized gains on available-for-sale equity securities includible in Tier 2 capital	2221	0	15	
16. Other Tier 2 capital components	B594	0	16	
17. Tier 2 capital (sum of items 12 through 16)	5311	915	17	
18. Allowable Tier 2 capital (lesser of item 11 or 17)	8275	915	18	
19. Tier 3 capital allocated for market risk	1395	0	19	
20. LESS: Deductions for total risk-based capital	B595	0	20	
21. Total risk-based capital (sum of items 11, 18, and 19, less item 20)	3792	11,483	21	
Total assets for leverage ratio				
22. Average total assets (from Schedule RC-K, item 9)	3368	124,289	22	
23. LESS: Disallowed goodwill and other disallowed intangible assets (from item 7.a above)	B590	0	23	
24. LESS: Disallowed servicing assets and purchased credit card relationships (from item 9.a above)	B591	0	24	
25. LESS: Disallowed deferred tax assets (from item 9.b above)	5610	0	25	
26. LESS: Other deductions from assets for leverage capital purposes	B596	0	26	
27. Average total assets for leverage capital purposes (item 22 less items 23 through 26)	A224	124,289	27	
Adjustments for financial subsidiaries				
28. a. Adjustment to Tier 1 capital reported in item 11	C228	0	28.a	
b. Adjustment to total risk-based capital reported in item 21	B503	0	28.b	
29. Adjustment to risk-weighted assets reported in item 62	B504	0	29	
30. Adjustment to average total assets reported in item 27	B505	0	30	
Capital ratios				
(Column B is to be completed by all banks. Column A is to be completed by banks with financial subsidiaries.)				
	(Column A)		(Column B)	
	RCON	Percentage	RCON	Percentage
31. Tier 1 leverage ratio (2)	7273	0.00%	7204	8.60%
32. Tier 1 risk-based capital ratio (3)	7274	0.00%	7206	10.27%
33. Total risk-based capital ratio (4)	7275	0.00%	7205	11.16%

(1) Report amount included in Schedule RC, item 26.b, "Accumulated other comprehensive income."

(2) The ratio for column B is item 11 divided by item 27. The ratio for column A is item 11 minus item 28.a divided by (item 27 minus item 30).

(3) The ratio for column B is item 11 divided by item 62. The ratio for column A is item 11 minus item 28.a divided by (item 62 minus item 29).

(4) The ratio for column B is item 21 divided by item 62. The ratio for column A is item 21 minus item 28.b divided by (item 62 minus item 29).

Schedule RC-R—Continued

Banks are not required to risk-weight each on-balance sheet asset and the credit equivalent amount of each off-balance sheet item that qualifies for a risk weight of less than 100 percent (50 percent for derivatives) at its lower risk weight. When completing items 34 through 54 of Schedule RC-R, each bank should decide for itself how detailed a risk-weight analysis it wishes to perform. In other words, a bank can choose from among its assets and off-balance sheet items that have a risk weight of less than 100 percent which ones to risk-weight at an appropriate lower risk weight, or it can simply risk-weight some or all of these items at a 100 percent risk weight (50 percent for derivatives).

	(Column A)	(Column B)	Allocation by Risk Weight Category			
	Totals (from Schedule RC)	Items Not Subject to Risk-Weighting	0%	20%	50%	100%
	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou
Dollar Amounts in Thousands						
Balance Sheet Asset Categories						
34. Cash and balances due from depository institutions (Column A equals the sum of Schedule RC items 1.a and 1.b)	RCON 0010 3,747	RCON 0869 0	RCON B600 729	RCON B601 3,018		RCON B602 0
35. Held-to-maturity securities	RCON 1754 0	RCON B603 0	RCON B604 0	RCON B605 0	RCON B606 0	RCON B607 0
36. Available-for-sale securities	RCON 1773 17,290	RCON B608 (102)	RCON B609 0	RCON B610 15,503	RCON B611 1,889	RCON B612 0
37. Federal funds sold and securities purchased under agreements to resell	RCON C225 4,894		RCON CD63 0	RCON CD64 4,894		RCON B520 0
38. Loans and leases held for sale	RCON 5369 0	RCON B617 0	RCON B618 0	RCON B619 0	RCON B620 0	RCON B621 0
39. Loans and leases, net of unearned income	RCON B528 83,888	RCON B622 0	RCON B623 0	RCON B624 0	RCON B625 18,911	RCON B626 74,977
40. LESS: Allowance for loan and lease losses	RCON 3123 918	RCON 3123 918				
41. Trading assets	RCON 3545 0	RCON B627 0	RCON B628 0	RCON B629 0	RCON B630 0	RCON B631 0
42. All other assets (1)	RCON B639 7,842	RCON B640 0	RCON B641 0	RCON B642 687	RCON B643 28	RCON 5339 6,827
43. Total assets (sum of items 34 through 42)	RCON 2170 128,848	RCON B644 (1,017)	RCON 5320 729	RCON 5327 24,102	RCON 5334 20,828	RCON 5340 81,904

(1) Includes premises and fixed assets, other real estate owned, investments in unconsolidated subsidiaries and associated companies, intangible assets, and other assets.

Schedule RC-R—Continued

	(Column A)	Credit Conversion Factor	(Column B)	(Column C) (Column D) (Column E) (Column F)			
	Face Value or Notional Amount		Credit Equivalent Amount (1)	Allocation by Risk Weight Category			
	Bill Mil Thou		Bill Mil Thou	0%	20%	50%	100%
Dollar Amounts in Thousands							
Derivatives and Off-Balance Sheet Items	RCON B546	See footnote 2	RCON B547	RCON B548	RCON B581	RCON B582	RCON B583
44. Financial standby letters of credit	448	1.00	448	0	0	0	448
45. Performance standby letters of credit	RCON 3821		RCON B650	RCON B651	RCON B652	RCON B653	RCON B654
	0	.50	0	0	0	0	0
46. Commercial and similar letters of credit	RCON 3411		RCON B655	RCON B656	RCON B657	RCON B658	RCON B659
	0	.20	0	0	0	0	0
47. Risk participations in bankers acceptances acquired by the reporting institution	RCON 3429		RCON B660	RCON B661	RCON B662		RCON B663
	0	1.00	0	0	0		0
48. Securities lent	RCON 3433		RCON B664	RCON B665	RCON B666	RCON B667	RCON B668
	0	1.00	0	0	0	0	0
49. Retained recourse on small business obligations sold with recourse	RCON A250		RCON B669	RCON B670	RCON B671	RCON B672	RCON B673
	0	1.00	0	0	0	0	0
50. Recourse and direct credit substitutes (other than financial standby letters of credit) subject to the low-level exposure rule and residual interests subject to a dollar-for-dollar capital requirement	RCON B541	See footnote 3	RCON B542				RCON B543
	0	12.500	0				0
51. All other financial assets sold with recourse	RCON B675		RCON B676	RCON B677	RCON B678	RCON B679	RCON B680
	0	1.00	0	0	0	0	0
52. All other off-balance sheet liabilities	RCON B681		RCON B682	RCON B683	RCON B684	RCON B685	RCON B686
	0	1.00	0	0	0	0	0
53. Unused commitments with an original maturity exceeding one year ¹	RCON 3833		RCON B687	RCON B688	RCON B689	RCON B690	RCON B691
	10,701	.50	5,351	0	0	0	5,351
			RCON A167	RCON B693	RCON B694	RCON B695	
54. Derivative contracts			0	0	0	0	

(1) Column A multiplied by credit conversion factor.

(2) For financial standby letters of credit to which the low-level exposure rule applies, use a credit conversion factor of 12.5 or an institution-specific factor.

For other financial standby letters of credit, use a credit conversion factor of 1.00. See instructions for further information. (Entering an 'M' allows for data entry in Column B.)

(3) Or institution specific factor.

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Schedule RC-R—Continued

	(Column C)	(Column D)	(Column E)	(Column F)	
	Allocation by Risk Weight Category				
	0%	20%	50%	100%	
Dollar Amounts in Thousands	Bl MI Thou	Bl MI Thou	Bl MI Thou	Bl MI Thou	
Totals					
55. Total assets, derivatives, and off-balance sheet items by risk weight category (for each column, sum of items 43 through 54)	RCON B696 729	RCON B697 24,102	RCON B698 20,828	RCON B699 87,703	55
56. Risk weight factor	x 0%	x 20%	x 50%	x 100%	56
57. Risk-weighted assets by risk weight category (for each column, item 55 multiplied by item 56)	RCON B700 0	RCON B701 4,820	RCON B702 10,414	RCON B703 87,703	57
58. Market risk equivalent assets				RCON 1651 0	58
59. Risk-weighted assets before deductions for excess allowance for loan and lease losses and allocated transfer risk reserve (sum of item 57, columns C through F, and item 58)				RCON B704 102,937	59
60. LESS: Excess allowance for loan and lease losses				RCON A222 0	60
61. LESS: Allocated transfer risk reserve				RCON 3128 0	61
62. Total risk-weighted assets (item 59 minus items 60 and 61)				RCON A223 102,937	62

Memoranda

	Dollar Amounts in Thousands	RCON	Bl MI Thou	
1. Current credit exposure across all derivative contracts covered by the risk-based capital standards		8764	0	M.1

	With a remaining maturity of						
	(Column A) One year or less		(Column B) Over one year through five years		(Column C) Over five years		
	RCON	Tr Bl MI Thou	RCON	Tr Bl MI Thou	RCON	Tr Bl MI Thou	
2. Notional principal amounts of derivative contracts: (1)							
a. Interest rate contracts	3809	0	8766	0	8767	0	M.2.a
b. Foreign exchange contracts	3812	0	8769	0	8770	0	M.2.b
c. Gold contracts	8771	0	8772	0	8773	0	M.2.c
d. Other precious metals contracts	8774	0	8775	0	8776	0	M.2.d
e. Other commodity contracts	8777	0	8778	0	8779	0	M.2.e
f. Equity derivative contracts	A000	0	A001	0	A002	0	M.2.f
g. Credit derivative contracts:							
(1) Investment grade	C980	0	C981	0	C982	0	M.2.g.1
(2) Subinvestment grade	C983	0	C984	0	C985	0	M.2.g.2

(1) Exclude foreign exchange contracts with an original maturity of 14 days or less and all futures contracts.

Schedule RC-S—Servicing, Securitization, and Asset Sale Activities

	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets
	BI MI Thou	BI MI Thou	BI MI Thou	BI MI Thou	BI MI Thou	BI MI Thou	BI MI Thou
Dollar Amounts In Thousands							
Bank Securitization Activities							
1. Outstanding principal balance of assets sold and securitized by the reporting bank with servicing retained or with recourse or other seller-provided credit enhancements	RCON B705 0	RCON B706 0	RCON B707 0	RCON B708 0	RCON B709 0	RCON B710 0	RCON B711 0
2. Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to structures reported in Item 1 in the form of:							
a. Credit-enhancing interest-only strips (included in Schedules RC-B or RC-F or in Schedule RC, Item 5)	RCON B712 0	RCON B713 0	RCON B714 0	RCON B715 0	RCON B716 0	RCON B717 0	RCON B718 0
b. Subordinated securities and other residual interests	RCON C393 0	RCON C394 0	RCON C395 0	RCON C396 0	RCON C397 0	RCON C398 0	RCON C399 0
c. Standby letters of credit and other enhancements	RCON C400 0	RCON C401 0	RCON C402 0	RCON C403 0	RCON C404 0	RCON C405 0	RCON C406 0
3. Reporting bank's unused commitments to provide liquidity to structures reported in Item 1	RCON B726 0	RCON B727 0	RCON B728 0	RCON B729 0	RCON B730 0	RCON B731 0	RCON B732 0
4. Past due loan amounts included in Item 1:	RCON B733 0	RCON B734 0	RCON B735 0	RCON B736 0	RCON B737 0	RCON B738 0	RCON B739 0
a. 30-89 days past due	RCON B740 0	RCON B741 0	RCON B742 0	RCON B743 0	RCON B744 0	RCON B745 0	RCON B746 0
b. 90 days or more past due							
5. Charge-offs and recoveries on assets sold and securitized with servicing retained or with recourse or other seller-provided credit enhancements (calendar year-to-date):							
a. Charge-offs	RIAD B747 0	RIAD B748 0	RIAD B749 0	RIAD B750 0	RIAD B751 0	RIAD B752 0	RIAD B753 0
b. Recoveries	RIAD B754 0	RIAD B755 0	RIAD B756 0	RIAD B757 0	RIAD B758 0	RIAD B759 0	RIAD B760 0

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Schedule RC-S—Continued

	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets
Dollar Amounts in Thousands	Bl MI Thou	Bl MI Thou	Bl MI Thou	Bl MI Thou	Bl MI Thou	Bl MI Thou	Bl MI Thou
6. Amount of ownership (or seller's) interests carried as:							
a. Securities (included in Schedule RC-B or in Schedule RC, Item 5)		RCON B761 0	RCON B762 0			RCON B763 0	6.a
b. Loans (included in Schedule RC-C)		RCON B500 0	RCON B501 0			RCON B502 0	6.b
7. Past due loan amounts included in interests reported in Item 6.a:							
a. 30-89 days past due		RCON B764 0	RCON B765 0			RCON B766 0	7.a
b. 90 days or more past due		RCON B767 0	RCON B768 0			RCON B769 0	7.b
8. Charge-offs and recoveries on loan amounts included in interests reported in Item 6.a (calendar year-to-date):							
a. Charge-offs		RIAD B770 0	RIAD B771 0			RIAD B772 0	8.a
b. Recoveries		RIAD B773 0	RIAD B774 0			RIAD B775 0	8.b
For Securitization Facilities Sponsored By or Otherwise Established By Other Institutions							
9. Maximum amount of credit exposure arising from credit enhancements provided by the reporting bank to other institutions' securitization structures in the form of standby letters of credit, purchased subordinated securities, and other enhancements	RCON B776 0	RCON B777 0	RCON B778 0	RCON B779 0	RCON B780 0	RCON B781 0	RCON B782 0
10. Reporting bank's unused commitments to provide liquidity to other institutions' securitization structures	RCON B783 0	RCON B784 0	RCON B785 0	RCON B786 0	RCON B787 0	RCON B788 0	RCON B789 0

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Schedule RC-S—Continued

	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets	
	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	
Dollar Amounts in Thousands								
Bank Asset Sales								
11. Assets sold with recourse or other seller-provided credit enhancements and not securitized by the reporting bank	RCON B790 0	RCON B791 0	RCON B792 0	RCON B793 0	RCON B794 0	RCON B795 0	RCON B796 0	11
12. Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to assets reported in Item 11	RCON B797 0	RCON B798 0	RCON B799 0	RCON B800 0	RCON B801 0	RCON B802 0	RCON B803 0	12

Memoranda

	Dollar Amounts in Thousands		
	RCON	Bil Mil Thou	
1. Small business obligations transferred with recourse under Section 208 of the Riegle Community Development and Regulatory Improvement Act of 1994:			
a. Outstanding principal balance	A249	0	M.1.a
b. Amount of retained recourse on these obligations as of the report date	A250	0	M.1.b
2. Outstanding principal balance of assets serviced for others (includes participations serviced for others):			
a. Closed-end 1-4 family residential mortgages serviced with recourse or other servicer-provided credit enhancements	B804	0	M.2.a
b. Closed-end 1-4 family residential mortgages serviced with no recourse or other servicer-provided credit enhancements	B805	0	M.2.b
c. Other financial assets (Includes home equity lines) (1)	A591	0	M.2.c
d. 1-4 family residential mortgages serviced for others that are in process of foreclosure at quarter-end (Includes closed-end and open-end loans)	F699	0	M.2.d
3. Asset-backed commercial paper conduits:			
a. Maximum amount of credit exposure arising from credit enhancements provided to conduit structures in the form of standby letters of credit, subordinated securities, and other enhancements:			
(1) Conduits sponsored by the bank, a bank affiliate, or the bank's holding company	B806	0	M.3.a.1
(2) Conduits sponsored by other unrelated institutions	B807	0	M.3.a.2
b. Unused commitments to provide liquidity to conduit structures:			
(1) Conduits sponsored by the bank, a bank affiliate, or the bank's holding company	B808	0	M.3.b.1
(2) Conduits sponsored by other unrelated institutions	B809	0	M.3.b.2
4. Outstanding credit card fees and finance charges included in Schedule RC-S, Item 1, column C (2)	C407	N/A	M.4

(1) Memorandum item 2.c is to be completed if the principal balance of other financial assets serviced for others is more than \$10 million.

(2) Memorandum item 4 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.

Schedule RC-T—Fiduciary and Related Services

Items 12 through 18, Items 20 through 23, and Memorandum Item 4 will not be made available to the public on an individual institution basis.

1. Does the institution have fiduciary powers? (If "NO," do not complete Schedule RC-T.)	RCON A345	YES / NO NO	1
2. Does the institution exercise the fiduciary powers it has been granted?	RCON A346	YES / NO NO	2
3. Does the institution have any fiduciary or related activity (in the form of assets or accounts) to report in this schedule? (If "NO," do not complete the rest of Schedule RC-T.)	RCON B867	YES / NO NO	3

If the answer to item 3 is "YES," complete the applicable items of Schedule RC-T, as follows:

Institutions with total fiduciary assets (Item 9, sum of columns A and B) greater than \$250 million (as of the preceding December 31) or with gross fiduciary and related services income greater than 10% of revenue (net interest income plus noninterest income) for the preceding calendar year must complete:

- Items 4 through 19 quarterly,
- Items 20 through 23 annually with the December report, and
- Memorandum Items 1 through 4 annually with the December report.

Institutions with total fiduciary assets (Item 9, sum of columns A and B) greater than \$100 million but less than or equal to \$250 million (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:

- Items 4 through 23 annually with the December report, and
- Memorandum Items 1 through 4 annually with the December report.

Institutions with total fiduciary assets (Item 9, sum of columns A and B) of \$100 million or less (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:

- Items 4 through 10 annually with the December report, and
- Memorandum Items 1 through 3 annually with the December report.

	(Column A) Managed Assets	(Column B) Non-Managed Assets	(Column C) Number of Managed Accounts	(Column D) Number of Non-Managed Accounts	
	TR BR MR THOU	TR BR MR THOU			
Dollar Amounts in Thousands					
FIDUCIARY AND RELATED ASSETS	RCON B868	RCON B869	RCON B870	RCON B871	
4. Personal trust and agency accounts	N/A	N/A	N/A	N/A	4
5. Retirement related trust & agency accounts:	RCON B872	RCON B873	RCON B874	RCON B875	
a. Employee benefit-defined contribution	N/A	N/A	N/A	N/A	5.a
b. Employee benefit-defined benefit	RCON B876	RCON B877	RCON B878	RCON B879	5.b
c. Other retirement accounts	N/A	N/A	N/A	N/A	5.c
6. Corporate trust and agency accounts	RCON B880	RCON B881	RCON B882	RCON B883	
	N/A	N/A	N/A	N/A	6
	RCON B884	RCON B885	RCON C001	RCON C002	
7. Investment management agency accounts	N/A	N/A	N/A	N/A	7
	RCON B886		RCON B888		
	N/A		N/A		
	RCON B890	RCON B891	RCON B892	RCON B893	
8. Other fiduciary accounts	N/A	N/A	N/A	N/A	8
9. Total fiduciary accounts (sum of items 4 through 8)	RCON B894	RCON B895	RCON B896	RCON B897	
	N/A	N/A	N/A	N/A	9
		RCON B898		RCON B899	
10. Custody and safekeeping accounts		N/A		N/A	10
11. Not applicable					

Schedule RC-T—Continued

		Dollar Amounts in Thousands		RIAD	BI MI Thou	
FIDUCIARY AND RELATED SERVICES INCOME						
12.	Personal trust and agency accounts			B904	N/A	12
13.	Retirement related trust and agency accounts:					
a.	Employee benefit—defined contribution			B905	N/A	13.a
b.	Employee benefit—defined benefit			B906	N/A	13.b
c.	Other retirement accounts			B907	N/A	13.c
14.	Corporate trust and agency accounts			A479	N/A	14
15.	Investment management agency accounts			B908	N/A	15
16.	Other fiduciary accounts			A480	N/A	16
17.	Custody and safekeeping accounts			B909	N/A	17
18.	Other fiduciary and related services income			B910	N/A	18
19.	Total gross fiduciary and related services income (sum of items 12 through 18) (must equal Schedule RI, item 5.a)			4070	N/A	19
20.	LESS: Expenses			C058	N/A	20
21.	LESS: Net losses from fiduciary and related services			A488	N/A	21
22.	PLUS: Intracompany income credits for fiduciary and related services			B911	N/A	22
23.	Net fiduciary and related services income			A491	N/A	23

		Dollar Amounts in Thousands		Managed Assets		
		RCON	BI MI Thou			
Memoranda						
1.	Managed assets held in personal trust and agency accounts:					
a.	Noninterest-bearing deposits	B913	N/A			M.1.a
b.	Interest-bearing deposits	B914	N/A			M.1.b
c.	U.S. Treasury and U.S. Government agency obligations	B915	N/A			M.1.c
d.	State, county and municipal obligations	B916	N/A			M.1.d
e.	Money market mutual funds	B917	N/A			M.1.e
f.	Other short-term obligations	B918	N/A			M.1.f
g.	Other notes and bonds	B919	N/A			M.1.g
h.	Common and preferred stocks	B920	N/A			M.1.h
i.	Real estate mortgages	B921	N/A			M.1.i
j.	Real estate	B922	N/A			M.1.j
k.	Miscellaneous assets	B923	N/A			M.1.k
l.	Total managed assets held in personal trust and agency accounts (sum of Memorandum items 1.a through 1.k) (must equal Schedule RC-T, item 4, column A)	B868	N/A			M.1.l

		(Column A) Number of Issues	(Column B) Principal Amount Outstanding	
		RCON	TH BI MI Thou	
2. Corporate trust and agency accounts:				
a.	Corporate and municipal trusteeships	B927	N/A	RCON B928 N/A
b.	Transfer agent, registrar, paying agent, and other corporate agency	B929	N/A	

REPORT OF CONDITION

Consolidating domestic subsidiaries of
Clover Community Bank
In the state of SC at close of business on June 30, 2008
published in response to call made by (Enter additional information below)

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Statement of Resources and Liabilities

Dollar Amounts in Thousands

ASSETS

Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		3,152
Interest-bearing balances		595
Securities:		
Held-to-maturity securities		0
Available-for-sale securities		17,290
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold		4,884
Securities purchased under agreements to resell		0
Loans and lease financing receivables:		
Loans and leases held for sale		0
Loans and leases, net of unearned income	93,888	
LESS: Allowance for loan and lease losses	915	
Loans and leases, net of unearned income and allowance		92,973
Trading Assets		0
Premises and fixed assets (including capitalized leases)		2,289
Other real estate owned		1,174
Investments in unconsolidated subsidiaries and associated companies		0
Intangible assets:		
Goodwill		0
Other intangible assets		0
Other assets		4,179
Total assets		126,546

REPORT OF CONDITION (Continued)

LIABILITIES

Dollar Amounts in Thousands

Deposits:		
In domestic offices		107,321
NonInterest-bearing	13,584	
Interest-bearing	93,737	
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased		0
Securities sold under agreements to repurchase		0
Trading liabilities		0
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)		8,000
Subordinated notes and debentures		0
Other liabilities		722
Total liabilities		116,043
Minority interest in consolidated subsidiaries		0

EQUITY CAPITAL

Perpetual preferred stock and related surplus		0
Common stock		1,264
Surplus (exclude all surplus related to preferred stock)		2,070
Retained earnings		7,234
Accumulated other comprehensive income		(86)
Other equity capital components		0
Total equity capital		10,503
Total liabilities, minority interest, and equity capital		126,546

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

I, Jerry L. Giann, Vice President & CFO

(Name, Title)

of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Director #1

Director #2

Director #3

Federal Financial Institutions Examination Council

Please refer to page 1.

1

Table of Contents, for the required disclosure of estimated burden.

Consolidated Reports of Condition and Income for A Bank With Domestic Offices Only—FFIEC 041

Report at the close of Business September 30, 2008

(20080930)

(RCON 9999)

This report is required by law: 12 U.S.C. §324 (State member banks); 12 U.S.C. §1817 (State nonmember banks); and 12 U.S.C. §161 (National banks).

This report form is to be filed by banks with domestic offices only. Banks with foreign offices (as defined in the instructions) must file FFIEC 031.

NOTE: Each bank's board of directors and senior management are responsible for establishing and maintaining an effective system of internal control, including controls over the Reports of Condition and Income. The Reports of Condition and Income are to be prepared in accordance with Federal regulatory authority instructions. The Reports of Condition and Income must be signed by the Chief Financial Officer (CFO) of the reporting bank (or by the individual performing an equivalent function) and attested to by not less than two directors (trustees) for State nonmember banks and three directors for State member and National banks.

We, the undersigned directors (trustees), attest to the correctness of the Reports of Condition and Income (including the supporting schedules) for this report date and declare that the Reports of Condition and Income have been examined by us and to the best of our knowledge and belief have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct.

I, the undersigned CFO (or equivalent) of the named bank, attest that the Reports of Condition and Income (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct to the best of my knowledge and belief.

Signature of Chief Financial Officer (or Equivalent)

Date of Signature

Director (Trustee)

Director (Trustee)

Director (Trustee)

Submission of Reports

Each bank must file its Reports of Condition and Income (Call Report) data by either:

- Using computer software to prepare its Call Report and then submitting the report data directly to the FFIEC's Central Data Repository (CDR), an Internet-based system for data collection (<https://cdr.ffiec.gov/cdr/>), or
- Completing its Call Report in paper form and arranging with a software vendor or another party to convert the data into the electronic format that can be processed by the CDR. The software vendor or other party then must electronically submit the bank's data file to the CDR.

To fulfill the signature and attestation requirement for the Reports of Condition and Income for this report date, attach your bank's completed signature page (or a photocopy or a computer-generated version of this page) to the hard-copy record of the data file submitted to the CDR that your bank must place in its files.

The appearance of your bank's hard-copy record of the submitted data file need not match exactly the appearance of the FFIEC's sample report forms, but should show at least the caption of each Call Report item and the reported amount.

For technical assistance with submissions to the CDR, please contact the CDR Help Desk by telephone at (888) CDR-3111, by fax at (301) 495-7864, or by e-mail at CDR.Help@ffiec.gov.

Clover Community Bank

Legal Title of Bank (RSSD 9017)

Clover

City (RSSD 9130)

SC

State Abbrev. (RSSD 9200)

29710

Zip Code (RSSD 9220)

FDIC Certificate Number

27055

(RSSD 9050)

Consolidated Reports of Condition and Income for A Bank With Domestic Offices Only

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The estimated average burden associated with this information collection is 40.0 hours per respondent and is estimated to vary from 1.6 to 635 hours per response, depending on individual circumstances. Burden estimates include the time for reviewing instructions, gathering and maintaining data in the required form, and completing the information collection, but exclude the time for compiling and maintaining business records in the normal course of a respondent's activities. A Federal agency may not conduct or sponsor, and an organization (or a person) is not required to respond to a collection of information, unless it displays a currently valid OMB control number. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503, and to one of the following:		Schedule RC-N - Past Due and Nonaccrual Loans, Leases, and Other Assets _____	RC-22, 23, 24, 25
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For information or assistance, National and State nonmember banks should contact the FDIC's Data Collection and Analysis Section, 550 17th Street, NW, Washington, D.C. 20429, toll free on (800) 688-FDIC(3342), Monday through Friday between 8:00 a.m. and 5:00 p.m., Eastern time. State member banks should contact their Federal Reserve District Bank.

Contact Information for the Reports of Condition and Income

To facilitate communication between the Agencies and the bank concerning the Reports of Condition and Income, please provide contact information for (1) the Chief Financial Officer (or equivalent) of the bank signing the reports for this quarter and (2) the person at the bank - other than the Chief Financial Officer (or equivalent) - to whom questions about the reports should be directed. If the Chief Financial Officer (or equivalent) is the primary contact for questions about the reports, please provide contact information for another person at the bank who will serve as a secondary contact for communications between the Agencies and the bank concerning the Reports of Condition and Income. Enter "none" for the contact's e-mail address or fax number if not available. Contact information for the Reports of Condition and Income is for the confidential use of the Agencies and will not be released to the public.

Chief Financial Officer (or Equivalent) Signing the Reports

Jerry L. Glenn
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Senior Vice President & CFO
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jglenn@clovercommunitybank.com
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(803) 222-8612
Telephone: Area code/phone number/extension (TEXT C493)
(803) 222-3129
FAX: Area code/phone number (TEXT C494)

Other Person to Whom Questions about the Reports Should be Directed

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President & CEO
Title (TEXT C496)
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E-mail Address (TEXT 4086)
(803) 222-7660
Telephone: Area code/phone number/extension (TEXT 8902)
(803) 222-2922
FAX: Area code/phone number (TEXT 9116)

Emergency Contact Information

This information is being requested so the Agencies can distribute critical, time sensitive information to emergency contacts at banks. Please provide primary contact information for a senior official of the bank who has decision-making authority. Also provide information for a secondary contact if available. Enter "none" for the contact's e-mail address or fax number if not available. Emergency contact information is for the confidential use of the Agencies and will not be released to the public.

Primary Contact

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Telephone: Area code/phone number/extension (TEXT C374)
(803) 222-2922
FAX: Area code/phone number (TEXT C375)

USA PATRIOT Act Section 314(a) Anti-Money Laundering Contact Information

This information is being requested to identify points-of-contact who are in charge of your depository institution's Section 314(a) searches and who could be contacted by federal law enforcement officers for additional information related to anti-terrorist financing and anti-money laundering. Please provide information for a secondary contact if available. Information for a third and fourth contact may be provided at the bank's option. Enter "none" for the contact's e-mail address or fax number if not available. USA PATRIOT Act contact information is for the confidential use of the Agencies and the Financial Crimes Enforcement Network (FinCEN) and will not be released to the public.

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 E-mail Address (TEXT C872)
 Telephone: Area code/phone number/extension (TEXT C873)
 FAX: Area code/phone number (TEXT C874)

Fourth Contact

Name (TEXT C875)
 Title (TEXT C876)
 E-mail Address (TEXT C877)
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 FAX: Area code/phone number (TEXT C879)

Clover Community Bank

Legal Title of Bank

Clover

City

SC 29710

State Zip Code

FDIC Certificate Number: 27055

Submitted to CDR on 10/23/2008 at 10:57 AM

**Consolidated Report of Income
for the period January 1, 2008 – September 30, 2008**

All Report of Income schedules are to be reported on a calendar year-to-date basis in thousands of dollars.

Schedule RI—Income Statement

	Dollar Amounts In Thousands		
	RJAD	BI MI THOU	
1. Interest Income:			
a. Interest and fee income on loans:			
(1) Loans secured by real estate:			
(a) Loans secured by 1-4 family residential properties	4435	1,283	1.a.1.a
(b) All other loans secured by real estate	4436	2,963	1.a.1.b
(2) Commercial and industrial loans	4012	660	1.a.2
(3) Loans to individuals for household, family, and other personal expenditures:			
(a) Credit cards	8485	16	1.a.3.a
(b) Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8486	280	1.a.3.b
(4) Loans to foreign governments and official institutions	4056	0	1.a.4
(5) All other loans (1)	4058	0	1.a.5
(6) Total interest and fee income on loans (sum of items 1.a.(1)(a) through 1.a.(5))	4010	5,202	1.a.6
b. Income from lease financing receivables	4065	0	1.b
c. Interest income on balances due from depository institutions (2)	4115	54	1.c
d. Interest and dividend income on securities:			
(1) U.S. Treasury securities and U.S. Government agency obligations (excluding mortgage-backed securities)	8488	129	1.d.1
(2) Mortgage-backed securities	8489	342	1.d.2
(3) All other securities (includes securities issued by states and political subdivisions in the U.S.)	4060	205	1.d.3
e. Interest income from trading assets	4069	0	1.e
f. Interest income on federal funds sold and securities purchased under agreements to resell	4020	48	1.f
g. Other interest income	4518	0	1.g
h. Total interest income (sum of items 1.a.(6) through 1.g)	4107	5,980	1.h
2. Interest expense:			
a. Interest on deposits:			
(1) Transaction accounts (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts)	4506	20	2.a.1
(2) Nontransaction accounts:			
(a) Savings deposits (includes MMDAs)	0093	557	2.a.2.a
(b) Time deposits of \$100,000 or more	A517	478	2.a.2.b
(c) Time deposits of less than \$100,000	A518	886	2.a.2.c
b. Expense of federal funds purchased and securities sold under agreements to repurchase	4180	10	2.b
c. Interest on trading liabilities and other borrowed money	4185	131	2.c

(1) Includes interest and fee income on "Loans to depository institutions and acceptances of other banks," "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

(2) Includes interest income on time certificates of deposit not held for trading.

Schedule RI--Continued

	Year-to-date			
	RIAD	EM MI Thou		
Dollar Amounts in Thousands				
2. Interest expense (continued):				
d. Interest on subordinated notes and debentures	4200	0	2.d	
e. Total interest expense (sum of items 2.a through 2.d)	4073	2,082	2.e	
3. Net Interest Income (item 1.h minus 2.e)		4074	3,898	3
4. Provision for loan and lease losses		4230	181	4
5. Noninterest income:				
a. Income from fiduciary activities (1)	4070	0	5.a	
b. Service charges on deposit accounts	4080	772	5.b	
c. Trading revenue (2)	A220	0	5.c	
d. (1) Fees and commissions from securities brokerage	C886	0	5.d.1	
(2) Investment banking, advisory, and underwriting fees and commissions	C888	0	5.d.2	
(3) Fees and commissions from annuity sales	C887	0	5.d.3	
(4) Underwriting income from insurance and reinsurance activities	C386	0	5.d.4	
(5) Income from other insurance activities	C387	0	5.d.5	
e. Venture capital revenue	B491	0	5.e	
f. Net servicing fees	B492	0	5.f	
g. Net securitization income	B493	0	5.g	
h. Not applicable				
i. Net gains (losses) on sales of loans and leases	5416	0	5.i	
j. Net gains (losses) on sales of other real estate owned	5415	0	5.j	
k. Net gains (losses) on sales of other assets (excluding securities)	B496	0	5.k	
l. Other noninterest income*	B497	98	5.l	
m. Total noninterest income (sum of items 5.a through 5.l)		4079	879	5.m
6. a. Realized gains (losses) on held-to-maturity securities		3521	0	6.a
b. Realized gains (losses) on available-for-sale securities		3196	64	6.b
7. Noninterest expense:				
a. Salaries and employee benefits	4135	2,009	7.a	
b. Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest)	4217	448	7.b	
c. (1) Goodwill impairment losses	C216	0	7.c.1	
(2) Amortization expense and impairment losses for other intangible assets	C232	0	7.c.2	
d. Other noninterest expense*	4092	873	7.d	
e. Total noninterest expense (sum of items 7.a through 7.d)		4093	3,330	7.e
8. Income (loss) before income taxes and extraordinary items and other adjustments (item 3 plus or minus items 4, 5.m, 6.a, 6.b, and 7.e)		4301	1,341	8
9. Applicable income taxes (on item 8)		4302	411	9
10. Income (loss) before extraordinary items and other adjustments (item 8 minus item 9)		4308	930	10
11. Extraordinary items and other adjustments, net of income taxes*		4320	0	11
12. Net income (loss) (sum of items 10 and 11)		4340	930	12

* Describe on Schedule RI-E—Explanations

- (1) For banks required to complete Schedule RC-T, items 12 through 19, income from fiduciary activities reported in Schedule RI, item 5.a, must equal the amount reported in Schedule RC-T, item 19.
- (2) For banks required to complete Schedule RI, Memorandum item 8, trading revenue reported in Schedule RI, item 5.c, must equal the sum of Memorandum items 8.a through 8.e.

Schedule RI—Continued

Memoranda	Dollar Amounts in Thousands		Year-to-date		
	RIAD	BI MI Thou	RIAD	BI MI Thou	
1. Interest expense incurred to carry tax-exempt securities, loans, and leases acquired after August 7, 1986, that is not deductible for federal income tax purposes	4513	0			M.1
2. Income from the sale and servicing of mutual funds and annuities (Included in Schedule RI, item 8)	8431	0			M.2
3. Income on tax-exempt loans and leases to states and political subdivisions in the U.S. (Included in Schedule RI, items 1.a and 1.b)	4313	0			M.3
4. Income on tax-exempt securities issued by states and political subdivisions in the U.S. (Included in Schedule RI, item 1.d.(3))	4507	186			M.4
5. Number of full-time equivalent employees at end of current period (round to nearest whole number)	4150	46		Number	M.5
<i>Memorandum item 6 is to be completed by: (1)</i>					
• banks with \$300 million or more in total assets, and					
• banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans.					
6. Interest and fee income on loans to finance agricultural production and other loans to farmers (Included in Schedule RI, item 1.a.(5))	4024	N/A			M.6
7. If the reporting bank has restated its balance sheet as a result of applying push down accounting this calendar year, report the date of the bank's acquisition (2)	9106	0		CCYY/MM/DD	M.7
8. Trading revenue (from cash instruments and derivative instruments) (sum of Memorandum items 8.a through 8.e must equal Schedule RI, item 5.c) (To be completed by banks that reported average trading assets (Schedule RC-K, item 7) of \$2 million or more for any quarter of the preceding calendar year.):					
a. Interest rate exposures	8757	N/A			M.8.a
b. Foreign exchange exposures	8758	N/A			M.8.b
c. Equity security and Index exposures	8759	N/A			M.8.c
d. Commodity and other exposures	8760	N/A			M.8.d
e. Credit exposures	F166	N/A			M.8.e
9. Net gains (losses) recognized in earnings on credit derivatives that economically hedge credit exposures held outside the trading account:					
a. Net gains (losses) on credit derivatives held for trading	C889	0			M.9.a
b. Net gains (losses) on credit derivatives held for purposes other than trading	C890	0			M.9.b
10. To be completed by banks with \$300 million or more in total assets: (1) Credit losses on derivatives (see Instructions)	A251	N/A			M.10
11. Does the reporting bank have a Subchapter S election in effect for federal income tax purposes for the current tax year?					
	RIAD	YES / NO			
	A530	NO			M.11
<i>Memorandum item 12 is to be completed by banks that are required to complete Schedule RC-C, part I, Memorandum items 8.b and 8.c.</i>					
12. Noncash income from negative amortization on closed-end loans secured by 1-4 family residential properties (Included in Schedule RI, item 1.a.(1)(a))	F228	N/A			M.12
<i>Memorandum item 13 is to be completed by banks that have elected to account for assets and liabilities under a fair value option.</i>					
13. Net gains (losses) recognized in earnings on assets and liabilities that are reported at fair value under a fair value option:					
a. Net gains (losses) on assets					
(1) Estimated net gains (losses) on loans attributable to changes in instrument-specific credit risk	F551	N/A			M.13.a
(1) Estimated net gains (losses) on liabilities attributable to changes in instrument-specific credit risk	F552	N/A			M.13.a.1
b. Net gains (losses) on liabilities					
(1) Estimated net gains (losses) on liabilities attributable to changes in instrument-specific credit risk	F553	N/A			M.13.b
(1) Estimated net gains (losses) on liabilities attributable to changes in instrument-specific credit risk	F554	N/A			M.13.b.1

(1) The asset size tests and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

(2) For example, a bank acquired on March 1, 2008, would report 2008/03/01

Schedule RI-A—Changes in Equity Capital

Indicate decreases and losses in parentheses.

	Dollar Amounts in Thousands		RIAD	BH MI Thou	
	RIAD	BH MI Thou			
1. Total equity capital most recently reported for the December 31, 2007, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)	3217	9,964			1
2. Restatements due to corrections of material accounting errors and changes in accounting principles*	8507	0			2
3. Balance end of previous calendar year as restated (sum of items 1 and 2)	8508	9,964			3
4. Net income (loss) (must equal Schedule RI, item 12)	4340	830			4
5. Sale, conversion, acquisition, or retirement of capital stock, net (excluding treasury stock transactions)	8509	0			5
6. Treasury stock transactions, net	8510	0			6
7. Changes incident to business combinations, net	4356	0			7
8. LESS: Cash dividends declared on preferred stock	4470	0			8
9. LESS: Cash dividends declared on common stock	4460	0			9
10. Other comprehensive income (1)	8511	45			10
11. Other transactions with parent holding company* (not included in items 5, 6, 8, or 9 above)	4415	0			11
12. Total equity capital end of current period (sum of items 3 through 11) (must equal Schedule RC, item 28)	3210	10,838			12

* Describe on Schedule RI-E - Explanations.

(1) Includes changes in net unrealized holding gains (losses) on available-for-sale securities, changes in accumulated net gains (losses) on cash flow hedges, and pension and other postretirement plan-related changes other than net periodic benefit cost.

Schedule RI-B—Charge-offs and Recoveries on Loans and Leases and Changes in Allowance for Loan and Lease Losses

Part I. Charge-offs and Recoveries on Loans and Leases

Part I includes charge-offs and recoveries through the allocated transfer risk reserve.

	(Column A) Charge-offs (1)		(Column B) Recoveries		
	Calendar year-to-date				
	RIAD	BH MI Thou	RIAD	BH MI Thou	
1. Loans secured by real estate:					
a. Construction, land development, and other land loans:					
(1) 1-4 family residential construction loans	C891	115	C892	28	1.a.1
(2) Other construction loans and all land development and other land loans	C893	0	C894	0	1.a.2
b. Secured by farmland	3584	0	3585	0	1.b
c. Secured by 1-4 family residential properties:					
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5411	0	5412	0	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:					
(a) Secured by first liens	C234	5	C217	5	1.c.2.a
(b) Secured by junior liens	C235	0	C218	0	1.c.2.b
d. Secured by multifamily (5 or more) residential properties	3588	0	3589	0	1.d
e. Secured by nonfarm nonresidential properties:					
(1) Loans secured by owner-occupied nonfarm nonresidential properties	C895	0	C896	0	1.e.1
(2) Loans secured by other nonfarm nonresidential properties	C897	0	C898	0	1.e.2
2. Loans to depository institutions and acceptances of other banks	4481	0	4482	0	2
3. Not applicable					
4. Commercial and industrial loans	4638	0	4608	16	4
5. Loans to individuals for household, family, and other personal expenditures:					
a. Credit cards	8514	0	8515	0	5.a
b. Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8516	27	8517	5	5.b
6. Loans to foreign governments and official institutions	4643	0	4627	0	6
7. All other loans (2)	4644	0	4628	0	7
8. Lease financing receivables	4266	0	4267	0	8
9. Total (sum of items 1 through 8)	4635	147	4605	62	9

(1) Include write-downs arising from transfers of loans to a held-for-sale account.

(2) Includes charge-offs and recoveries on "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

Schedule RI-B Continued

Part I. Continued

Memoranda

Dollar Amounts in Thousands

Memoranda	(Column A) Charge-offs (1)				(Column B) Recoveries				
	Calendar year-to-date								
	RIAD	Bl	MI	Thou	RIAD	Bl	MI	Thou	
1. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RI-B, part I, items 4 and 7, above	5409			0	5410			0	M.1
2. Memorandum items 2.a through 2.d are to be completed by banks with \$300 million or more in total assets: (2)									
a. Loans secured by real estate to non-U.S. addressees (domicile) (Included in Schedule RI-B, part I, item 1, above)	4652			N/A	4662			N/A	M.2.a
b. Loans to and acceptances of foreign banks (Included in Schedule RI-B, part I, item 2, above)	4654			N/A	4664			N/A	M.2.b
c. Commercial and industrial loans to non-U.S. addressees (domicile) (Included in Schedule RI-B, part I, item 4, above)	4646			N/A	4618			N/A	M.2.c
d. Leases to individuals for household, family, and other personal expenditures (Included in Schedule RI-B, part I, item 8, above)	F185			N/A	F187			N/A	M.2.d
3. Memorandum item 3 is to be completed by: (2)									
• banks with \$300 million or more in total assets, and									
• banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans: Loans to finance agricultural production and other loans to farmers (Included in Schedule RI-B, part I, item 7, above)									
	4655			N/A	4665			N/A	M.3
Memorandum item 4 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.									
4. Uncollectible retail credit card fees and finance charges reversed against income (i.e., not included in charge-offs against the allowance for loan and lease losses)									M.4

Calendar year-to-date			
RIAD	Bl	MI	Thou
C388			N/A

(1) Include write-downs arising from transfers of loans to a held-for-sale account.

(2) The \$300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

Schedule RI-B Continued

Part II. Changes in Allowance for Loan and Lease Losses

	Dollar Amounts in Thousands		
	RIAD	BI MI THOU	
1. Balance most recently reported for the December 31, 2007, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)	8522	913	1
2. Recoveries (must equal part I, item 9, column B, above)	4605	52	2
3. LESS: Charge-offs (must equal part I, item 9, column A, above less Schedule RI-B, part II, item 4)	0079	147	3
4. LESS: Write-downs arising from transfers of loans to a held-for-sale account	5523	0	4
5. Provision for loan and lease losses (must equal Schedule RI, item 4)	4230	161	5
6. Adjustments* (see instructions for this schedule)	0233	0	6
7. Balance end of current period (sum of Items 1, 2, 5, and 6, less Items 3 and 4) (must equal Schedule RC, item 4.c)	3123	979	7

Memoranda

	Dollar Amounts in Thousands		
	RIAD	BI MI THOU	
1. Allocated transfer risk reserve included in Schedule RI-B, part II, item 7, above <i>Memorandum items 2 and 3 are to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.</i>	C435	0	M.1
2. Separate valuation allowance for uncollectible retail credit card fees and finance charges	C389	N/A	M.2
3. Amount of allowance for loan and lease losses attributable to retail credit card fees and finance charges <i>Memorandum item 4 is to be completed by all banks.</i>	C390	N/A	M.3
4. Amount of allowance for post-acquisition losses on purchased impaired loans accounted for in accordance with AICPA Statement of Position 03-3 (included in Schedule RI-B, part II, item 7, above)	C781	0	M.4

* Describe on Schedule RI-E—Explanations.

Legal Title of Bank

FDIC Certificate Number: 27055

Submitted to CDR on 10/23/2008 at 10:57 AM

Schedule RI-E--Explanations

Schedule RI-E is to be completed each quarter on a calendar year-to-date basis.

Detail all adjustments in Schedule RI-A and RI-B, all extraordinary items and other adjustments in Schedule RI, and all significant items of other noninterest income and other noninterest expense in Schedule RI.

(See instructions for details.)

		Dollar Amounts in Thousands		Year-to-date		
		RIAD	BI MI THOU			
1. Other noninterest income (from Schedule RI, item 5.)						
Itemize and describe amounts greater than \$25,000 that exceed 3% of Schedule RI, item 5.i:						
TEXT						
a.	Income and fees from the printing and sale of checks	C013	17			1.a
b.	Earnings on/increase in value of cash surrender value of life insurance	C014	45			1.b
c.	Income and fees from automated teller machines (ATMs)	C016	9			1.c
d.	Rent and other income from other real estate owned	4042	0			1.d
e.	Safe deposit box rent	C015	15			1.e
f.	Net change in the fair values of financial instruments accounted for under a fair value option	F229	0			1.f
g.	Bank card and credit card interchange fees	F555	0			1.g
h.	4461	4461	0			1.h
i.	4462	4462	0			1.i
j.	4463	4463	0			1.j
2. Other noninterest expense (from Schedule RI, item 7.d)						
Itemize and describe amounts greater than \$25,000 that exceed 3% of Schedule RI, item 7.d:						
TEXT						
a.	Data processing expenses	C017	0			2.a
b.	Advertising and marketing expenses	0497	52			2.b
c.	Directors' fees	4136	57			2.c
d.	Printing, stationery, and supplies	C018	80			2.d
e.	Postage	8403	53			2.e
f.	Legal fees and expenses	4141	31			2.f
g.	FDIC deposit insurance assessments	4146	15			2.g
h.	Accounting and auditing expenses	F556	48			2.h
i.	Consulting and advisory expenses	F557	0			2.i
j.	Automated teller machine (ATM) and interchange expenses	F558	143			2.j
k.	Telecommunications expenses	F559	50			2.k
l.	4464	4464	0			2.l
m.	4467	4467	0			2.m
n.	4468	4468	0			2.n
3. Extraordinary items and other adjustments and applicable income tax effect (from Schedule RI, item 11) (itemize and describe all extraordinary items and other adjustments):						
TEXT						
a.(1)	4469	4469	0			3.a.1
(2)	Applicable income tax effect	4486	0			3.a.2
b.(1)	4487	4487	0			3.b.1
(2)	Applicable income tax effect	4488	0			3.b.2
c.(1)	4489	4489	0			3.c.1
(2)	Applicable income tax effect	4491	0			3.c.2

Clover

City

SC 29710

State Zip Code

FDIC Certificate Number: 27055

Submitted to CDR on 10/23/2008 at 10:57 AM

Consolidated Report of Condition for Insured Commercial and State-Chartered Savings Banks for September 30, 2008

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

Schedule RC—Balance Sheet

Dollar Amounts in Thousands

	RC0N	BH MH Thou	
ASSETS			
1. Cash and balances due from depository institutions (from Schedule RC-A):			
a. Noninterest-bearing balances and currency and coin (1)	0081	3,288	1.a
b. Interest-bearing balances (2)	0071	6,238	1.b
2. Securities:			
a. Held-to-maturity securities (from Schedule RC-B, column A)	1754	0	2.a
b. Available-for-sale securities (from Schedule RC-B, column D)	1773	17,037	2.b
3. Federal funds sold and securities purchased under agreements to resell:			
a. Federal funds sold	8987	4,689	3.a
b. Securities purchased under agreements to resell (3)	8989	0	3.b
4. Loans and lease financing receivables (from Schedule RC-C):			
a. Loans and leases held for sale	5369	0	4.a
b. Loans and leases, net of unearned income	8528	97,756	4.b
c. LESS: Allowance for loan and lease losses	3123	979	4.c
d. Loans and leases, net of unearned income and allowance (item 4.b minus 4.c)	8529	96,777	4.d
5. Trading assets (from Schedule RC-D)	3545	0	5
6. Premises and fixed assets (including capitalized leases)	2145	2,250	6
7. Other real estate owned (from Schedule RC-M)	2150	1,174	7
8. Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M)	2130	0	8
9. Not Applicable			
10. Intangible assets:			
a. Goodwill	3163	0	10.a
b. Other Intangible assets (from Schedule RC-M)	0426	0	10.b
11. Other assets (from Schedule RC-F)	2160	4,132	11
12. Total assets (sum of items 1 through 11)	2170	135,585	12

(1) Includes cash items in process of collection and unposted debits.

(2) Includes time certificates of deposit not held for trading.

(3) Includes all securities resale agreements, regardless of maturity.

Schedule RC - Continued

		Dollar Amounts in Thousands		RCON	Bill	Mill	Thou	
LIABILITIES								
13. Deposits:								
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E)				2200			115,977	13.a
(1) Noninterest-bearing (1)		6631	11,471					13.a.1
(2) Interest-bearing		6636	104,505					13.a.2
b. Not applicable								
14. Federal funds purchased and securities sold under agreements to repurchase:								
a. Federal funds purchased (2)				8993			0	14.a
b. Securities sold under agreements to repurchase (3)				8995			0	14.b
15. Trading liabilities (from Schedule RC-D)				3548			0	15
16. Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases) (from Schedule RC-M)				3190			8,000	16
17. and 18. Not applicable								
19. Subordinated notes and debentures (4)				3200			0	19
20. Other liabilities (from Schedule RC-G)				2930			869	20
21. Total liabilities (sum of items 13 through 20)				2948			124,846	21
22. Minority interest in consolidated subsidiaries				3000			0	22
EQUITY CAPITAL								
23. Perpetual preferred stock and related surplus				3838			0	23
24. Common stock				3230			1,264	24
25. Surplus (exclude all surplus related to preferred stock)				3839			2,070	25
26. a. Retained earnings				3632			7,536	26.a
b. Accumulated other comprehensive income (5)				8530			69	26.b
27. Other equity capital components (6)				A130			0	27
28. Total equity capital (sum of items 23 through 27)				3210			10,939	28
29. Total liabilities, minority interest, and equity capital (sum of items 21, 22, and 28)				3300			138,885	29

Memorandum

To be reported with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 2007

RCON	Number
6724	N/A

M.1

- | | |
|--|---|
| <p>1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank</p> <p>2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)</p> <p>3 = Attestation on bank management's assertion on the effectiveness of the bank's internal control over financial reporting by a certified public accounting firm</p> | <p>4 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)</p> <p>5 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)</p> <p>6 = Review of the bank's financial statements by external auditors</p> <p>7 = Compilation of the bank's financial statements by external auditors</p> <p>8 = Other audit procedures (excluding tax preparation work)</p> <p>9 = No external audit work</p> |
|--|---|

- (1) Includes total demand deposits and noninterest-bearing time and savings deposits.
- (2) Report overnight Federal Home Loan Bank advances in Schedule RC, item 16, "Other borrowed money."
- (3) Includes all securities repurchase agreements, regardless of maturity.
- (4) Includes limited-life preferred stock and related surplus.
- (5) Includes net unrealized holding gains (losses) on available-for-sale securities, accumulated net gains (losses) on cash flow hedges, and minimum pension liability adjustments.
- (6) Includes treasury stock and unearned Employee Stock Ownership Plan shares.

Schedule RC-A—Cash and Balances Due From Depository Institutions

Schedule RC-A is to be completed only by banks with \$300 million or more in total assets.

Exclude assets held for trading.

	Dollar Amounts in Thousands		RCON	Bl Mil Thou	
	RCON	Bl Mil Thou			
1. Cash items in process of collection, unposted debits, and currency and coin:					
a. Cash items in process of collection and unposted debits	0020			N/A	1.a
b. Currency and coin	0080			N/A	1.b
2. Balances due from depository institutions in the U.S.:					
a. U.S. branches and agencies of foreign banks	0083			N/A	2.a
b. Other commercial banks in the U.S. and other depository institutions in the U.S.	0085			N/A	2.b
3. Balances due from banks in foreign countries and foreign central banks:					
a. Foreign branches of other U.S. banks	0073			N/A	3.a
b. Other banks in foreign countries and foreign central banks	0074			N/A	3.b
4. Balances due from Federal Reserve Banks	0090			N/A	4
5. Total (sum of items 1 through 4) (must equal Schedule RC, sum of items 1.a and 1.b)	0010			N/A	5

Schedule RC-B—Securities

Exclude assets held for trading.

Dollar Amounts in Thousands	Held-to-maturity				Available-for-sale				
	(Column A)		(Column B)		(Column C)		(Column D)		
	Amortized Cost		Fair Value		Amortized Cost		Fair Value		
	RCON	Bl Mil Thou	RCON	Bl Mil Thou	RCON	Bl Mil Thou	RCON	Bl Mil Thou	
1. U.S. Treasury securities	0211	0	0213	0	1286	0	1287	0	1
2. U.S. Government agency obligations (exclude mortgage-backed securities):									
a. Issued by U.S. Government-agencies (1)	1289	0	1290	0	1291	0	1293	0	2.a
b. Issued by U.S. Government-sponsored agencies (2)	1294	0	1295	0	1297	2,390	1298	2,420	2.b
3. Securities issued by states and political subdivisions in the U.S.	8496	0	8497	0	8498	5,675	8499	5,708	3

(1) Includes Small Business Administration "Guaranteed Loan Pool Certificates," U.S. Maritime Administration obligations, and Export-Import Bank participation certificates.

(2) Includes obligations (other than mortgage-backed securities) issued by the Farm Credit System, the Federal Home Loan Bank System, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Financing Corporation, Resolution Funding Corporation, the Student Loan Marketing Association, and the Tennessee Valley Authority.

Schedule RC-B—Continued

Dollar Amounts in Thousands	Held-to-maturity				Available-for-sale				
	(Column A) Amortized Cost		(Column B) Fair Value		(Column C) Amortized Cost		(Column D) Fair Value		
	RC0N	Bl Ml Thou	RC0N	Bl Ml Thou	RC0N	Bl Ml Thou	RC0N	Bl Ml Thou	
4. Mortgage-backed securities (MBS):									
a. Pass-through securities:									
(1) Guaranteed by GNMA	1698	0	1699	0	1701	0	1702	0	4.a.1
(2) Issued by FNMA and FHLMC	1703	0	1705	0	1706	8,790	1707	8,836	4.a.2
(3) Other pass-through securities	1709	0	1710	0	1711	0	1713	0	4.a.3
b. Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS):									
(1) Issued or guaranteed by FNMA, FHLMC, or GNMA	1714	0	1715	0	1716	73	1717	73	4.b.1
(2) Collateralized by MBS issued or guaranteed by FNMA, FHLMC, or GNMA	1718	0	1719	0	1731	0	1732	0	4.b.2
(3) All other mortgage-backed securities	1733	0	1734	0	1735	0	1736	0	4.b.3
5. Asset-backed securities (ABS)	C026	0	C988	0	C989	0	C027	0	5
6. Other debt securities:									
a. Other domestic debt securities	1737	0	1738	0	1739	0	1741	0	6.a
b. Foreign debt securities	1742	0	1743	0	1744	0	1746	0	6.b
7. Investments in mutual funds and other equity securities with readily determinable fair values (1)					A510	0	A511	0	7
8. Total (sum of items 1 through 7) (total of column A must equal Schedule RC, item 2.a) (total of column D must equal Schedule RC, item 2.b)	1754	0	1771	0	1772	16,928	1773	17,037	8

(1) Report Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock in Schedule RC-F, item 4.

Schedule RC-B—Continued

Memoranda

	Dollar Amounts in Thousands		
	RCDN	Bil Mil Thou	
1. Pledged securities (1)	0416	4,823	M.1
2. Maturity and repricing data for debt securities (1, 2) (excluding those in nonaccrual status):			
a. Securities issued by the U.S. Treasury, U.S. Government agencies, and states and political subdivisions in the U.S.; other non-mortgage debt securities; and mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of: (3, 4)			
(1) Three months or less	A549	0	M.2.a.1
(2) Over three months through 12 months	A550	718	M.2.a.2
(3) Over one year through three years	A551	829	M.2.a.3
(4) Over three years through five years	A552	1,732	M.2.a.4
(5) Over five years through 15 years	A553	4,073	M.2.a.5
(6) Over 15 years	A554	775	M.2.a.6
b. Mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of: (3, 5)			
(1) Three months or less	A555	116	M.2.b.1
(2) Over three months through 12 months	A556	122	M.2.b.2
(3) Over one year through three years	A557	759	M.2.b.3
(4) Over three years through five years	A558	356	M.2.b.4
(5) Over five years through 15 years	A559	5,398	M.2.b.5
(6) Over 15 years	A560	2,083	M.2.b.6
c. Other mortgage-backed securities (Include CMOs, REMICs, and stripped MBS; exclude mortgage pass-through securities) with an expected average life of: (6)			
(1) Three years or less	A561	73	M.2.c.1
(2) Over three years	A562	0	M.2.c.2
d. Debt securities with a REMAINING MATURITY of one year or less (included in Memorandum items 2.a through 2.c above)	A248	718	M.2.d
3. Amortized cost of held-to-maturity securities sold or transferred to available-for-sale or trading securities during the calendar year-to-date (report the amortized cost at date of sale or transfer)	1778	0	M.3
4. Structured notes (included in the held-to-maturity and available-for-sale accounts in Schedule RC-B, items 2, 3, 5, and 6):			
a. Amortized cost	8782	405	M.4.a
b. Fair value	8783	403	M.4.b

- (1) Includes held-to-maturity securities at amortized cost and available-for-sale securities at fair value.
- (2) Exclude investments in mutual funds and other equity securities with readily determinable fair values.
- (3) Report fixed rate debt securities by remaining maturity and floating rate debt securities by next repricing date.
- (4) Sum of Memorandum items 2.a.(1) through 2.a.(6) plus any nonaccrual debt securities in the categories of debt securities reported in Memorandum item 2.a that are included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, sum of items 1, 2, 3, 5, and 6, columns A and D, plus mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.
- (5) Sum of Memorandum items 2.b.(1) through 2.b.(6) plus any nonaccrual mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, item 4.a, sum of columns A and D, less the amount of mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.
- (6) Sum of Memorandum items 2.c.(1) and 2.c.(2) plus any nonaccrual "Other mortgage-backed securities" included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, item 4.b, sum of columns A and D.

Schedule RC-B—Continued

Memoranda (continued)

Dollar Amounts in Thousands	Held-to-maturity				Available-for-sale				
	(Column A)		(Column B)		(Column C)		(Column D)		
	Amortized Cost		Fair Value		Amortized Cost		Fair Value		
	RCON	B# Mil Thou	RCON	B# Mil Thou	RCON	B# Mil Thou	RCON	B# Mil Thou	
<i>Memorandum items 5.a through 5.f are to be completed by banks with \$1 billion or more in total assets. (1)</i>									
5. Asset-backed securities (ABS)(for each column, sum of Memorandum items 5.a through 5.f must equal Schedule RC-B, item 5):									
a. Credit card receivables	B838	N/A	B839	N/A	B840	N/A	B841	N/A	M.5.a
b. Home equity lines	B842	N/A	B843	N/A	B844	N/A	B845	N/A	M.5.b
c. Automobile loans	B846	N/A	B847	N/A	B848	N/A	B849	N/A	M.5.c
d. Other consumer loans	B850	N/A	B851	N/A	B852	N/A	B853	N/A	M.5.d
e. Commercial and industrial loans	B854	N/A	B855	N/A	B856	N/A	B857	N/A	M.5.e
f. Other	B858	N/A	B859	N/A	B860	N/A	B861	N/A	M.5.f

(1) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Loans and Lease Financing Receivables

Part I. Loans and Leases

Do not deduct the allowance for loan and lease losses or the allocated transfer risk risk reserve from amounts reported in this schedule. Report

- (1) loans and leases held for sale at the lower of cost or fair value,
 - (2) loans and leases held for investment, net of unearned income, and
 - (3) loans and leases accounted for at fair value under a fair value option.
- Exclude assets held for trading and commercial paper.

Dollar Amounts in Thousands

	(Column A) To Be Completed by Banks with \$300 Million or More in Total Assets (1)		(Column B) To Be Completed by All Banks		
	RCON	BI MI Thou	RCON	BI MI Thou	
1. Loans secured by real estate:					
a. Construction, land development, and other land loans:					
(1) 1-4 family residential construction loans			F15B	8,759	1.a.1
(2) Other construction loans and all land development and other land loans			F159	6,237	1.a.2
b. Secured by farmland (including farm residential and other improvements)			1420	546	1.b
c. Secured by 1-4 family residential properties:					
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit			1797	11,279	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:					
(a) Secured by first liens			5367	21,942	1.c.2.a
(b) Secured by junior liens			5368	487	1.c.2.b
d. Secured by multifamily (5 or more) residential properties			1460	79	1.d
e. Secured by nonfarm nonresidential properties:					
(1) Loans secured by owner-occupied nonfarm nonresidential properties			F160	18,544	1.e.1
(2) Loans secured by other nonfarm nonresidential properties			F161	8,509	1.e.2
2. Loans to depository institutions and acceptances of other banks			1288	0	2
a. To commercial banks in the U.S.:					
(1) To U.S. branches and agencies of foreign banks	B532	N/A			2.a.1
(2) To other commercial banks in the U.S.	B533	N/A			2.a.2
b. To other depository institutions in the U.S.	B534	N/A			2.b
c. To banks in foreign countries:					
(1) To foreign branches of other U.S. banks	B536	N/A			2.c.1
(2) To other banks in foreign countries	B537	N/A			2.c.2
3. Loans to finance agricultural production and other loans to farmers			1590	16	3
4. Commercial and Industrial loans			1766	16,745	4
a. To U.S. addressees (domicile)	1763	N/A			4.a
b. To non-U.S. addressees (domicile)	1764	N/A			4.b
5. Not applicable					
6. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):					
a. Credit cards			B538	85	6.a
b. Other revolving credit plans			B539	298	6.b
c. Other consumer loans (includes single payment, instalment, and all student loans)			2011	4,377	6.c
7. Loans to foreign governments and official institutions (including foreign central banks)			2081	0	7
8. Obligations (other than securities and leases) of states and political subdivisions in the U.S.			2107	0	8
9. Other Loans			1563	0	9
a. Loans for purchasing or carrying securities (secured and unsecured)	1545	N/A			9.a
b. All other loans (exclude consumer loans)	1564	N/A			9.b

(1) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Continued

Part I. Continued

	(Column A) To Be Completed by Banks with \$300 Million or More in Total Assets (1)			(Column B) To Be Completed by All Banks			
	RCON	BI MI Thou		RCON	BI MI Thou		
10. Lease financing receivables (net of unearned income)				2165		0	10
a. Leases to individuals for household, family, and other personal expenditures (i.e., consumer leases)	F162		N/A				10.a
b. All other leases	F163		N/A				10.b
11. LESS: Any unearned income on loans reflected in items 1-9 above				2123		147	11.
12. Total loans and leases, net of unearned income (sum of items 1 through 10 minus item 11) (must equal Schedule RC, sum of items 4.a and 4.b)				2122		97,756	12

Memoranda

Dollar Amounts in Thousands

	RCON	BI MI Thou	
1. Loans and leases restructured and in compliance with modified terms (Included in Schedule RC-C, part I, and not reported as past due or nonaccrual in Schedule RC-N, Memorandum item 1):			
a. Loans secured by 1-4 family residential properties	F576		0
b. Other loans and all leases (exclude loans to individuals for household, family, and other personal expenditures)		1616	0
2. Maturity and repricing data for loans and leases (excluding those in nonaccrual status):			
a. Closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B, above) with a remaining maturity or next repricing date of: (2, 3)			
(1) Three months or less	A564		2,825
(2) Over three months through 12 months	A565		5,805
(3) Over one year through three years	A566		2,637
(4) Over three years through five years	A567		9,743
(5) Over five years through 15 years	A568		857
(6) Over 15 years	A569		75
b. All loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column B, above) EXCLUDING closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B, above) with a remaining maturity or next repricing date of: (2, 4)			
(1) Three months or less	A570		25,045
(2) Over three months through 12 months	A571		11,424
(3) Over one year through three years	A572		15,140
(4) Over three years through five years	A573		15,424
(5) Over five years through 15 years	A574		8,374
(6) Over 15 years	A575		499
c. Loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column B, above) with a REMAINING MATURITY of one year or less (excluding those in nonaccrual status)	A247		21,487

- (1) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.
- (2) Report fixed rate loans and leases by remaining maturity and floating rate loans by next repricing date.
- (3) Sum of Memorandum items 2.a.(1) through 2.a.(6) plus total nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, part I, item 1.c.(2)(a), column B.
- (4) Sum of Memorandum items 2.b.(1) through 2.b.(6) plus total nonaccrual loans and leases from Schedule RC-N, sum of items 1 through 8, column C, minus nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total loans and leases from Schedule RC-C, part I, sum of items 1 through 10, column B, minus total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, part I, item 1.c.(2)(a), column B.

Schedule RC-C—Continued

Part I. Continued

Memoranda — Continued	Dollar Amounts in Thousands		RCON	Bil Mil Thou	
3. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RC-C, part I, items 4 and 9, column B (4)	2746	0			M.3
4. Adjustable rate closed-end loans secured by first liens on 1-4 family residential properties (Included in Schedule RC-C, part I, item 1.c.(2)(a), column B)	5370	0			M.4
5. To be completed by banks with \$300 million or more in total assets: (5) Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RC-C, part I, items 1.a through 1.e, column B)	8837	N/A			M.5
<i>Memorandum item 6 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.</i>					
6. Outstanding credit card fees and finance charges included in Schedule RC-C, part I, item 6.a.	C391	N/A			M.6
Memorandum item 7 is to be completed by all banks.					
7. Purchased impaired loans held for investment accounted for in accordance with AICPA Statement of Position 03-3 (exclude loans held for sale):					
a. Outstanding balance	C779	0			M.7.a
b. Carrying amount included in Schedule RC-C, part I, items 1 through 9	C780	0			M.7.b
8. Closed-end loans with negative amortization features secured by 1-4 family residential properties:					
a. Total carrying amount of closed-end loans with negative amortization features secured by 1-4 family residential properties (included in Schedule RC-C, part I, items 1.c.(2)(a) and (b))	F230	0			M.8.a
<i>Memorandum items 8.b and 8.c are to be completed by banks that had closed-end loans with negative amortization features secured by 1-4 family residential properties (as reported in Schedule RC-C, part I, Memorandum item 8.a.) as of December 31, 2007, that exceeded the lesser of \$100 million or 5 percent of total loans and leases, net of unearned income (as reported in Schedule RC-C, part I, item 12, column B).</i>					
b. Total maximum remaining amount of negative amortization contractually permitted on closed-end loans secured by 1-4 family residential properties	F231	N/A			M.8.b
c. Total amount of negative amortization on closed-end loans secured by 1-4 family residential properties included in the carrying amount reported in Memorandum item 8.a above	F232	N/A			M.8.c
9. Loans secured by 1-4 family residential properties in process of foreclosure (Included in Schedule RC-C, part I, items 1.c.(1), 1.c.(2)(a), and 1.c.(2)(b))	F577	0			M.9
10. Loans measured at fair value (Included in Schedule RC-C, part I, items 1 through 9):					
a. Loans secured by real estate:					
(1) Construction, land development, and other land loans	F578	0			M.10.a.1
(2) Secured by farmland (including farm residential and other improvements)	F579	0			M.10.a.2
(3) Secured by 1-4 family residential properties:					
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F580	0			M.10.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:					
(1) Secured by first liens	F581	0			M.10.a.3.b.1
(2) Secured by junior liens	F582	0			M.10.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F583	0			M.10.a.4
(5) Secured by nonfarm nonresidential properties	F584	0			M.10.a.5
b. Commercial and industrial loans	F585	0			M.10.b

(4) Exclude loans secured by real estate that are included in Schedule RC-C, part I, items 1.a through 1.e, column B.

(5) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Continued**Part I. Continued**

Memoranda — Continued	Dollar Amounts in Thousands	RCON	Bll Mll Thou	
10. c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):				
(1) Credit cards		F586	0	M.10.c.1
(2) Other revolving credit plans		F587	0	M.10.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)		F588	0	M.10.c.3
d. Other loans		F589	0	M.10.d
11. Unpaid principal balance of loans measured at fair value (reported in Schedule RC-C, part I, Memorandum item 10):				
a. Loans secured by real estate:				
(1) Construction, land development, and other land loans		F590	0	M.11.a.1
(2) Secured by farmland (including farm residential and other improvements)		F591	0	M.11.a.2
(3) Secured by 1-4 family residential properties:				
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit		F592	0	M.11.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:				
(1) Secured by first liens		F593	0	M.11.a.3.b.1
(2) Secured by junior liens		F594	0	M.11.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties		F595	0	M.11.a.4
(5) Secured by nonfarm nonresidential properties		F596	0	M.11.a.5
b. Commercial and industrial loans		F597	0	M.11.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):				
(1) Credit cards		F598	0	M.11.c.1
(2) Other revolving credit plans		F599	0	M.11.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)		F600	0	M.11.c.3
d. Other loans		F601	0	M.11.d

Schedule RC-D - Trading Assets and Liabilities

Schedule RC-D is to be completed by banks that reported average trading assets (Schedule RC-K, item 7) of \$2 million or more in any of the four preceding calendar quarters.

	Dollar Amounts in Thousands	RCON	Bl M Thou	
ASSETS				
1. U.S. Treasury securities		3531	N/A	1
2. U.S. Government agency obligations (exclude mortgage-backed securities)		3532	N/A	2
3. Securities issued by states and political subdivisions in the U.S.		3533	N/A	3
4. Mortgage-backed securities (MBS):				
a. Pass-through securities issued or guaranteed by FNMA, FHLMC, or GNMA		3534	N/A	4.a
b. Other mortgage-backed securities issued or guaranteed by FNMA, FHLMC, or GNMA (include CMOs, REMICs, and stripped MBS)		3535	N/A	4.b
c. All other mortgage-backed securities		3536	N/A	4.c
5. Other debt securities		3537	N/A	5
6. Loans:				
a. Loans secured by real estate:				
(1) Construction, land development, and other land loans		F604	N/A	6.a.1
(2) Secured by farmland (including farm residential and other improvements)		F605	N/A	6.a.2
(3) Secured by 1-4 family residential properties:				
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit		F606	N/A	6.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:				
(1) Secured by first liens		F607	N/A	6.a.3.b.1
(2) Secured by junior liens		F611	N/A	6.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties		F612	N/A	6.a.4
(5) Secured by nonfarm nonresidential properties		F613	N/A	6.a.5
b. Commercial and industrial loans		F614	N/A	6.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):				
(1) Credit cards		F615	N/A	6.c.1
(2) Other revolving credit plans		F616	N/A	6.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)		F617	N/A	6.c.3
d. Other loans		F618	N/A	6.d
7. and 8. Not applicable				
9. Other trading assets		3541	N/A	9
10. Not applicable				
11. Derivatives with a positive fair value		3543	N/A	11
12. Total trading assets (sum of items 1 through 11) (must equal Schedule RC, item 5)		3545	N/A	12
LIABILITIES				
13. a. Liability for short positions		3546	N/A	13.a
b. Other trading liabilities		F624	N/A	13.b
14. Derivatives with a negative fair value		3547	N/A	14
15. Total trading liabilities (sum of items 13.a through 14) (must equal Schedule RC, item 15)		3548	N/A	15

Schedule RC-D - Continued

Memoranda

	Dollar Amounts in Thousands	RCON	BII MH Thou	
1. Unpaid principal balance of loans measured at fair value (reported in Schedule RC-D, Items 6.a.(1) through 6.d):				
a. Loans secured by real estate:				
(1) Construction, land development, and other land loans	F625		N/A	M.1.a.1
(2) Secured by farmland (including farm residential and other improvements)	F626		N/A	M.1.a.2
(3) Secured by 1-4 family residential properties:				
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F627		N/A	M.1.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:				
(1) Secured by first liens	F628		N/A	M.1.a.3.b.1
(2) Secured by junior liens	F629		N/A	M.1.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F630		N/A	M.1.a.4
(5) Secured by nonfarm nonresidential properties	F631		N/A	M.1.a.5
b. Commercial and industrial loans	F632		N/A	M.1.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):				
(1) Credit cards	F633		N/A	M.1.c.1
(2) Other revolving credit plans	F634		N/A	M.1.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)	F635		N/A	M.1.c.3
d. Other loans	F636		N/A	M.1.d
2. Not applicable				
3. Loans measured at fair value that are past due 90 days or more:(1)				
(a) Fair value	F639		N/A	M.3.a
(b) Unpaid principal balance	F640		N/A	M.3.b
<i>Memorandum Items 4 through 10 are to be completed by banks that reported average trading assets (Schedule RC-K, Item 7) of \$1 billion or more in any of the four preceding calendar quarters.</i>				
4. Asset-backed securities:				
a. Residential mortgage-backed securities	F641		N/A	M.4.a
b. Commercial mortgage-backed securities	F642		N/A	M.4.b
c. Credit card receivables	F643		N/A	M.4.c
d. Home equity lines	F644		N/A	M.4.d
e. Automobile loans	F645		N/A	M.4.e
f. Other consumer loans	F646		N/A	M.4.f
g. Commercial and industrial loans	F647		N/A	M.4.g
h. Other	F648		N/A	M.4.h
5. Collateralized debt obligations:				
a. Synthetic	F649		N/A	M.5.a
b. Other	F650		N/A	M.5.b
6. Retained beneficial interests in securitizations (first-loss or equity tranches)	F651		N/A	M.6
7. Equity securities:				
a. Readily determinable fair values	F652		N/A	M.7.a
b. Other	F653		N/A	M.7.b
8. Loans pending securitization	F654		N/A	M.8

Schedule RC-D - Continued

Memoranda - Continued

		Dollar Amounts in Thousands	RCON	Bil	Mill	Thou	
9. Other trading assets (itemize and describe amounts included in Schedule RC-D, item 9, that are greater than \$25,000 and exceed 25% of the item):							
TEXT							
a.	F655	N/A	F655			N/A	M.9.a
b.	F656	N/A	F656			N/A	M.9.b
c.	F657	N/A	F657			N/A	M.9.c
10. Other trading liabilities (itemize and describe amounts included in Schedule RC-D, item 13.b, that are greater than \$25,000 and exceed 25% of the item):							
TEXT							
a.	F658	N/A	F658			N/A	M.10.a
b.	F659	N/A	F659			N/A	M.10.b
c.	F660	N/A	F660			N/A	M.10.c

Schedule RC-E—Deposit Liabilities

Dollar Amounts In Thousands	Transaction Accounts				Nontransaction Accounts				
	(Column A) Total transaction accounts (including total demand deposits)		(Column B) Memo: Total demand deposits (included in column A)		(Column C) Total nontransaction accounts (including MMDAs)				
	RCON	BI MI Thou	RCON	BI MI Thou	RCON	BI MI Thou			
Deposits of:									
1. Individuals, partnerships, and corporations (include all certified and official checks)	8549	25,653			8550	86,497			1
2. U.S. Government	2202	346			2520	799			2
3. States and political subdivisions in the U.S.	2203	2,682			2530	0			3
4. Commercial banks and other depository institutions in the U.S.	8551	0			8552	0			4
5. Banks in foreign countries	2213	0			2236	0			5
6. Foreign governments and official institutions (Including foreign central banks)	2216	0			2377	0			6
7. Total (sum of items 1 through 6) (sum of columns A and C must equal Schedule RC, item 13.a)	2215	28,681	2210	11,471	2385	87,298			7

Memoranda

Dollar Amounts in Thousands	RCON	BI MI Thou	
1. Selected components of total deposits (i.e., sum of item 7, columns A and C):			
a. Total Individual Retirement Accounts (IRAs) and Keogh Plan accounts	6835	7,658	M.1.a
b. Total brokered deposits	2365	8,232	M.1.b
c. Fully insured brokered deposits (Included in Memorandum item 1.b above): (1)			
(1) Brokered deposits issued in denominations of less than \$100,000	2343	8,232	M.1.c.1
(2) Brokered deposits issued in denominations of \$100,000 and certain brokered retirement deposit accounts	2344	0	M.1.c.2
d. Maturity data for brokered deposits:			
(1) Brokered deposits issued in denominations of less than \$100,000 with a remaining maturity of one year or less (included in Memorandum item 1.c.(1) above)	A243	8,152	M.1.d.1
(2) Brokered deposits issued in denominations of \$100,000 or more with a remaining maturity of one year or less (Included in Memorandum item 1.b above)	A244	0	M.1.d.2
e. Preferred deposits (uninsured deposits of states and political subdivisions in the U.S. reported in item 3 above which are secured or collateralized as required under state law) (to be completed for the December report only)	5590	N/A	M.1.e
2. Components of total nontransaction accounts (sum of Memorandum items 2.a through 2.c must equal item 7, column C above):			
a. Savings deposits:			
(1) Money market deposit accounts (MMDAs)	6810	18,906	M.2.a.1
(2) Other savings deposits (excludes MMDAs)	0352	12,551	M.2.a.2
b. Total time deposits of less than \$100,000	6648	35,487	M.2.b
c. Total time deposits of \$100,000 or more	2604	20,352	M.2.c
(1) Individual Retirement Accounts (IRAs) and Keogh Plan accounts included in Memorandum item 2.c, "Total time deposits of \$100,000 or more," above	F233	0	M.2.c.1

(1) Report brokered retirement deposit accounts eligible for \$250,000 in deposit insurance coverage in Memorandum item 1.c.(1) only if they have been issued in denominations of less than \$100,000 (see instructions). Report brokered retirement deposit accounts in Memorandum item 1.c.(2) if they have been issued either in denominations of exactly \$100,000 through exactly \$250,000 or in denominations greater than \$250,000 and participated out by the broker in shares of exactly \$100,000 through exactly \$250,000 or less.

Schedule RC-E—Continued

Memoranda (continued)

Dollar Amounts In Thousands	RCON	BR MI Thou	
3. Maturity and repricing data for time deposits of less than \$100,000:			
a. Time deposits of less than \$100,000 with a remaining maturity or next repricing date of: (1, 2)			
(1) Three months or less	A579	19,932	M.3.a.1
(2) Over three months through 12 months	A580	13,622	M.3.a.2
(3) Over one year through three years	A581	1,506	M.3.a.3
(4) Over three years	A582	428	M.3.a.4
b. Time deposits of less than \$100,000 with a REMAINING MATURITY of one year or less (included in Memorandum items 3.a.(1) and 3.a.(2) above) (3)			
	A241	25,190	M.3.b
4. Maturity and repricing data for time deposits of \$100,000 or more:			
a. Time deposits of \$100,000 or more with a remaining maturity or next repricing date of: (1, 4)			
(1) Three months or less	A584	5,305	M.4.a.1
(2) Over three months through 12 months	A585	14,605	M.4.a.2
(3) Over one year through three years	A586	101	M.4.a.3
(4) Over three years	A587	340	M.4.a.4
b. Time deposits of \$100,000 or more with a REMAINING MATURITY of one year or less (included in Memorandum items 4.a.(1) and 4.a.(2) above) (3)			
	A242	19,805	M.4.b

- (1) Report fixed rate time deposits by remaining maturity and floating rate time deposits by next repricing date.
- (2) Sum of Memorandum items 3.a.(1) through 3.a.(4) must equal Schedule RC-E, Memorandum item 2.b.
- (3) Report both fixed and floating rate time deposits by remaining maturity. Exclude floating rate time deposits with a next repricing date of one year or less that have a remaining maturity of over one year.
- (4) Sum of Memorandum items 4.a.(1) through 4.a.(4) must equal Schedule RC-E, Memorandum item 2.c.

Schedule RC-F—Other Assets

		Dollar Amounts in Thousands		RCON	BH MI Thou	
1.	Accrued interest receivable (1)			B556	545	1
2.	Net deferred tax assets (2)			2148	138	2
3.	Interest-only strips receivable (not in the form of a security) (3) on:					
a.	Mortgage loans			A519	0	3.a
b.	Other financial assets			A520	0	3.b
4.	Equity securities that DO NOT have readily determinable fair values (4)			1752	688	4
5.	Life insurance assets			C009	2,496	5
6.	All other assets (itemize and describe amounts greater than \$25,000 that exceed 25% of this item)			2168	266	6
	TEXT					
a.	Prepaid Expenses	2166	266			6.a
b.	Repossessed personal property (including vehicles)	1578	0			6.b
c.	Derivatives with a positive fair value held for purposes other than trading	C010	0			6.c
d.	Retained interests in accrued interest receivable related to securitized credit cards	C436	0			6.d
e.	3549	3549	0			6.e
f.	3550	3550	0			6.f
g.	3551	3551	0			6.g
7.	Total (sum of items 1 through 6) (must equal Schedule RC, item 11)			2160	4,132	7

Schedule RC-G—Other Liabilities

		Dollar Amounts in Thousands		RCON	BH MI Thou	
1. a.	Interest accrued and unpaid on deposits (5)			3645	542	1.a
b.	Other expenses accrued and unpaid (Includes accrued income taxes payable)			3646	40	1.b
2.	Net deferred tax liabilities (2)			3049	0	2
3.	Allowance for credit losses on off-balance sheet credit exposures			B557	0	3
4.	All other liabilities (itemize and describe amounts greater than \$25,000 that exceed 25% of this item)			2938	87	4
	TEXT					
a.	Accounts Payable	3066	10			4.a
b.	Deferred compensation liabilities	C011	77			4.b
c.	Dividends declared but not yet payable	2932	0			4.c
d.	Derivatives with a negative fair value held for purposes other than trading	C012	0			4.d
e.	3552	3552	0			4.e
f.	3553	3553	0			4.f
g.	3554	3554	0			4.g
5.	Total (sum of items 1 through 4) (must equal Schedule RC, item 20)			2930	669	5

- (1) Includes accrued interest receivable on loans, leases, debt securities, and other interest-bearing assets.
- (2) See discussion of deferred income taxes in Glossary entry on "income taxes."
- (3) Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule RC, item 2.b, or as trading assets in Schedule RC, item 5, as appropriate.
- (4) Includes Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.
- (5) For savings banks, include "dividends" accrued and unpaid on deposits.

Schedule RC-K—Quarterly Averages (1)

		Dollar Amounts in Thousands			
		RCON	BI	MI	Thou
ASSETS					
1.	Interest-bearing balances due from depository institutions	3381		3,356	1
2.	U.S. Treasury securities and U.S. Government agency obligations (2) (excluding mortgage-backed securities)	8558		2,817	2
3.	Mortgage-backed securities (2)	8559		8,712	3
4.	All other securities (2, 3) (includes securities issued by states and political subdivisions in the U.S.)	8560		5,878	4
5.	Federal funds sold and securities purchased under agreements to resell	3365		4,470	5
6.	Loans:				
a.	Total loans	3360		95,454	6.a
b.	Loans secured by real estate:				
(1)	Loans secured by 1-4 family residential properties	3465		31,855	6.b.1
(2)	All other loans secured by real estate	3466		42,484	6.b.2
c.	Commercial and industrial loans	3387		16,854	6.c
d.	Loans to individuals for household, family, and other personal expenditures:				
(1)	Credit cards	8561		78	6.d.1
(2)	Other (Includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8562		4,282	6.d.2
7.	To be completed by banks with \$100 million or more in total assets: (4) Trading assets	3401		0	7
8.	Lease financing receivables (net of unearned income)	3484		0	8
9.	Total assets (5)	3368		130,952	9
LIABILITIES					
10.	Interest-bearing transaction accounts (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts) (exclude demand deposits)	3485		16,135	10
11.	Nontransaction accounts:				
a.	Savings deposits (includes MMDAs)	8563		31,544	11.a
b.	Time deposits of \$100,000 or more	A514		17,287	11.b
c.	Time deposits of less than \$100,000	A529		33,770	11.c
12.	Federal funds purchased and securities sold under agreements to repurchase	3353		15	12
13.	To be completed by banks with \$100 million or more in total assets: (4) Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)	3355		8,000	13

Memorandum

		Dollar Amounts in Thousands			
		RCON	BI	MI	Thou
1.	Memorandum item 1 is to be completed by: (4) • banks with \$300 million or more in total assets, and • banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part 1, item 3) exceeding five percent of total loans. Loans to finance agricultural production and other loans to farmers	3386		N/A	M.1

(1) For all items, banks have the option of reporting either (1) an average of DAILY figures for the quarter, or (2) an average of WEEKLY figures (i.e., the Wednesday of each week of the quarter).

(2) Quarterly averages for all debt securities should be based on amortized cost.

(3) Quarterly averages for all equity securities should be based on historical cost.

(4) The asset size tests and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

(5) The quarterly average for total assets should reflect all debt securities (not held for trading) at amortized cost, equity securities with readily determinable fair values at the lower of cost or fair value, and equity securities without readily determinable fair values at historical cost.

Schedule RC-L—Derivatives and Off-Balance Sheet Items

Please read carefully the instructions for the preparation of Schedule RC-L. Some of the amounts reported in Schedule RC-L are regarded as volume indicators and not necessarily as measures of risk.

Dollar Amounts in Thousands

		RCON	BI MI Thou		
1. Unused commitments:					
a. Revolving, open-end lines secured by 1-4 family residential properties, e.g., home equity lines		3814	9,887	1.a	
b. Credit card lines		3815	391	1.b	
c. (1) Commitments to fund commercial real estate, construction, and land development loans secured by real estate:					
(a) 1-4 family residential construction loan commitments		F164	5,071	1.c.1.a	
(b) Commercial real estate, other construction loan, and land development loan commitments		F165	7,280	1.c.1.b	
(2) Commitments to fund commercial real estate, construction, and land development loans NOT secured by real estate		6550	0	1.c.2	
d. Securities underwriting		3817	0	1.d	
e. Other unused commitments		3818	3,298	1.e	
2. Financial standby letters of credit		3819	483	2	
a. Amount of financial standby letters of credit conveyed to others	3820	0		2.a	
3. Performance standby letters of credit		3821	0	3	
a. Amount of performance standby letters of credit conveyed to others	3822	0		3.a	
4. Commercial and similar letters of credit		3411	0	4	
5. Not applicable					
6. Securities lent (including customers' securities lent where the customer is indemnified against loss by the reporting bank)		3433	0	6	
7. Credit derivatives:					
a. Notional amounts:					
(1) Credit default swaps	C968	0	C969	0	7.a.(1)
(2) Total return swaps	C970	0	C971	0	7.a.(2)
(3) Credit options	C972	0	C973	0	7.a.(3)
(4) Other credit derivatives	C974	0	C975	0	7.a.(4)
b. Gross fair values:					
(1) Gross positive fair value	C219	0	C221	0	7.b.(1)
(2) Gross negative fair value	C220	0	C222	0	7.b.(2)
8. Spot foreign exchange contracts		8765	0	8	
9. All other off-balance sheet liabilities (exclude derivatives) (itemize and describe each component of this item over 25% of Schedule RC, item 2B, "Total equity capital")		3430	0	9	
TEXT					
a. Securities borrowed		3432	0	9.a	
b. Commitments to purchase when-issued securities		3434	0	9.b	
c. Standby letters of credit issued by a Federal Home Loan Bank on the bank's behalf		C978	0	9.c	
d. 3555		3555	0	9.d	
e. 3556		3556	0	9.e	
f. 3557		3557	0	9.f	
10. All other off-balance sheet assets (exclude derivatives) (itemize and describe each component of this item over 25% of Schedule RC, item 2B, "Total equity capital")		5591	0	10	
TEXT					
a. Commitments to sell when-issued securities		3435	0	10.a	
b. 5592		5592	0	10.b	
c. 5593		5593	0	10.c	
d. 5594		5594	0	10.d	
e. 5595		5595	0	10.e	

Schedule RC-L—Continued

					Dollar Amounts in Thousands				RCON	Trl	Bil	Mil	Thou		
11. Year-to-date merchant credit card sales volume:															
a. Sales for which the reporting bank is the acquiring bank										C223				0	11.a
b. Sales for which the reporting bank is the agent bank with risk										C224				0	11.b
Dollar Amounts in Thousands															
Derivatives Position Indicators															
(Column A) Interest Rate Contracts															
(Column B) Foreign Exchange Contracts															
(Column C) Equity Derivative Contracts															
(Column D) Commodity and Other Contracts															
12. Gross amounts (e.g., notional amounts)															
(for each column, sum of items 12.a through 12.e must equal sum of items 13 and 14):															
a. Futures contracts															
RCON 8693 0 RCON 8694 0 RCON 8695 0 RCON 8696 0 12.a															
RCON 8697 RCON 8698 RCON 8699 RCON 8700 12.b															
b. Forward contracts															
RCON 8701 RCON 8702 RCON 8703 RCON 8704 12.c.1															
c. Exchange-traded option contracts:															
(1) Written options RCON 8705 RCON 8706 RCON 8707 RCON 8708 12.c.2															
(2) Purchased options 0 0 0 0 12.c.2															
d. Over-the-counter option contracts:															
(1) Written options RCON 8709 RCON 8710 RCON 8711 RCON 8712 12.d.1															
(2) Purchased options RCON 8713 RCON 8714 RCON 8715 RCON 8716 12.d.2															
RCON 3450 RCON 3826 RCON 8719 RCON 8720 12.e															
e. Swaps 0 0 0 0 12.e															
13. Total gross notional amount of derivative contracts held for trading RCON A126 RCON A127 RCON 8723 RCON 8724 13															
14. Total gross notional amount of derivative contracts held for purposes other than trading RCON 8725 RCON 8726 RCON 8727 RCON 8728 14															
a. Interest rate swaps where the bank has agreed to pay a fixed rate RCON A589 14.a															
15. Gross fair values of derivative contracts:															
a. Contracts held for trading:															
(1) Gross positive fair value RCON 8733 RCON 8734 RCON 8735 RCON 8736 15.a.1															
(2) Gross negative fair value RCON 8737 RCON 8738 RCON 8739 RCON 8740 15.a.2															
b. Contracts held for purposes other than trading:															
(1) Gross positive fair value RCON 8741 RCON 8742 RCON 8743 RCON 8744 15.b.1															
(2) Gross negative fair value RCON 8745 RCON 8746 RCON 8747 RCON 8748 15.b.2															

Schedule RC-M—Memoranda

Dollar Amounts in Thousands

	RCON	BII	MI	Thou	
1. Extensions of credit by the reporting bank to its executive officers, directors, principal shareholders, and their related interests as of the report date:					
a. Aggregate amount of all extensions of credit to all executive officers, directors, principal shareholders, and their related interests	6164		2,117		1.a
b. Number of executive officers, directors, and principal shareholders to whom the amount of all extensions of credit by the reporting bank (including extensions of credit to related interests) equals or exceeds the lesser of \$500,000 or 5 percent of total capital as defined for this purpose in agency regulations	6165		2		1.b
2. Intangible assets other than goodwill:					
a. Mortgage servicing assets	3164		0		2.a
(1) Estimated fair value of mortgage servicing assets	A590		0		2.a.1
b. Purchased credit card relationships and nonmortgage servicing assets	B026		0		2.b
c. All other identifiable intangible assets	5507		0		2.c
d. Total (sum of items 2.a, 2.b, and 2.c) (must equal Schedule RC, item 10.b)	0426		0		2.d
3. Other real estate owned:					
a. Direct and indirect investments in real estate ventures	5372		0		3.a
b. All other real estate owned:					
(1) Construction, land development, and other land	5508		0		3.b.1
(2) Farmland	5509		0		3.b.2
(3) 1-4 family residential properties	5510		1,174		3.b.3
(4) Multifamily (5 or more) residential properties	5511		0		3.b.4
(5) Nonfarm nonresidential properties	5512		0		3.b.5
(6) Foreclosed properties from "GNMA loans"	C979		0		3.b.6
c. Total (sum of items 3.a and 3.b) (must equal Schedule RC, item 7)	2150		1,174		3.c
4. Investments in unconsolidated subsidiaries and associated companies:					
a. Direct and indirect investments in real estate ventures	5374		0		4.a
b. All other investments in unconsolidated subsidiaries and associated companies	5375		0		4.b
c. Total (sum of items 4.a and 4.b) (must equal Schedule RC, item 8)	2130		0		4.c
5. Other borrowed money:					
a. Federal Home Loan Bank advances:					
(1) Advances with a remaining maturity or next repricing date of: (1)					
(a) One year or less	F055		0		5.a.1.a
(b) Over one year through three years	F056		8,000		5.a.1.b
(c) Over three years through five years	F057		0		5.a.1.c
(d) Over five years	F058		0		5.a.1.d
(2) Advances with a REMAINING MATURITY of one year or less (included in item 5.a.(1)(a) above) (2)	2651		0		5.a.2
(3) Structured advances (included in items 5.a.(1)(a) - (d) above)	F059		0		5.a.3
b. Other borrowings:					
(1) Other borrowings with a remaining maturity or next repricing date of: (3)					
(a) One year or less	F060		0		5.b.1.a
(b) Over one year through three years	F061		0		5.b.1.b
(c) Over three years through five years	F062		0		5.b.1.c
(d) Over five years	F063		0		5.b.1.d
(2) Other borrowings with a REMAINING MATURITY of one year or less (included in item 5.b.(1)(a) above) (4)	B571		0		5.b.2
c. Total (sum of items 5.a.(1)(a)-(d) and items 5.b.(1)(a)-(d)) (must equal Schedule RC, item 16)	3190		8,000		5.c

- (1) Report fixed rate advances by remaining maturity and floating rate advances by next repricing date.
- (2) Report both fixed and floating rate advances by remaining maturity. Exclude floating rate advances with a next repricing date of one year or less that have a remaining maturity of over one year.
- (3) Report fixed rate other borrowings by remaining maturity and floating rate other borrowings by next repricing date.
- (4) Report both fixed and floating rate other borrowings by remaining maturity. Exclude floating rate other borrowings with a next repricing date of one year or less that have a remaining maturity of over one year.

Schedule RC-M—Continued

	Dollar Amounts in Thousands	RCON	YES / NO	
6. Does the reporting bank sell private label or third party mutual funds and annuities?		B569	NO	6
7. Assets under the reporting bank's management in proprietary mutual funds and annuities		RCON B570	Bl Mll Thou 0	7
8. Primary Internet Web site address of the bank (home page), if any (Example: www.examplebank.com) (TEXT 4087) http://clovercommunitybank.com				8
9. Do any of the bank's Internet Web sites have transactional capability, i.e., allow the bank's customers to execute transactions on their accounts through the Web site?		RCON 4088	YES / NO YES	9
10. Secured liabilities:		RCON	Bl Mll Thou	
a. Amount of "Federal funds purchased" that are secured (included in Schedule RC, Item 14.a)		F064	0	10.a
b. Amount of "Other borrowings" that are secured (included in Schedule RC-M, Items 5.b.(1)(a)-(d))		F065	0	10.b

Schedule RC-N—Past Due and Nonaccrual Loans, Leases, and Other Assets

	(Column A) Past due 30 through 89 days and still accruing		(Column B) Past due 90 days or more and still accruing		(Column C) Nonaccrual		
	RCON	Bl Mil Thou	RCON	Bl Mil Thou	RCON	Bl Mil Thou	
Dollar Amounts in Thousands							
1. Loans secured by real estate:							
a. Construction, land development, and other land loans:							
(1) 1-4 family residential construction loans	F172	389	F174	0	F176	0	1.a.1
(2) Other construction loans and all land development and other land loans	F173	0	F175	0	F177	0	1.a.2
b. Secured by farmland	3493	0	3494	0	3495	0	1.b
c. Secured by 1-4 family residential properties:							
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5398	0	5399	0	5400	0	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:							
(a) Secured by first liens	C236	113	C237	0	C229	0	1.c.2.a
(b) Secured by junior liens	C238	0	C239	0	C230	0	1.c.2.b
d. Secured by multifamily (5 or more) residential properties	3499	0	3500	0	3501	0	1.d
e. Secured by nonfarm nonresidential properties:							
(1) Loans secured by owner-occupied nonfarm nonresidential properties	F178	73	F180	0	F182	0	1.e.1
(2) Loans secured by other nonfarm nonresidential properties	F179	0	F181	0	F183	0	1.e.2
2. Loans to depository institutions and acceptances of other banks	B834	0	B835	0	B836	0	2
3. Not applicable							
4. Commercial and industrial loans	1606	76	1607	0	1608	49	4
5. Loans to individuals for household, family, and other personal expenditures:							
a. Credit cards	B575	0	B576	0	B577	0	5.a
b. Other (Includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	B578	88	B579	0	B580	7	5.b
6. Loans to foreign governments and official institutions	5389	0	5390	0	5391	0	6
7. All other loans (1)	5459	0	5460	0	5461	0	7
8. Lease financing receivables	1226	0	1227	0	1228	0	8
9. Debt securities and other assets (exclude other real estate owned and other repossessed assets)	3505	0	3506	0	3507	0	9

(1) Includes past due and nonaccrual "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

Schedule RC-N—Continued

Amounts reported in Schedule RC-N, items 1 through 8, above include guaranteed and unguaranteed portions of past due and nonaccrual loans and leases. Report in item 10 below certain guaranteed loans and leases that have already been included in the amounts reported in items 1 through 8.

	(Column A) Past due 30 through 89 days and still accruing			(Column B) Past due 90 days or more and still accruing			(Column C) Nonaccrual			
	RCON	Bl Ml Thou		RCON	Bl Ml Thou		RCON	Bl Ml Thou		
Dollar Amounts in Thousands										
10. Loans and leases reported in items 1 through 8 above which are wholly or partially guaranteed by the U.S. Government	5612	0		5613	0		5614	0		10
a. Guaranteed portion of loans and leases included in item 10 above (exclude rebooked "GNMA loans")	5615	0		5616	0		5617	0		10.a
b. Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase included in item 10 above.	0866	0		0867	0		0868	0		10.b

Legal Title of Bank

FDIC Certificate Number: 27055

Submitted to CDR on 10/23/2008 at 10:57 AM

Schedule RC-N—Continued

Memoranda	Dollar Amounts in Thousands												
	(Column A) Past due 30 through 89 days and still accruing				(Column B) Past due 90 days or more and still accruing				(Column C) Nonaccrual				
	RC0N	Bl	MI	Thou	RC0N	Bl	MI	Thou	RC0N	Bl	MI	Thou	
1. Restructured loans and leases included in Schedule RC-N, items 1 through 8, above (and not reported in Schedule RC-C, Part I, Memorandum item 1):													
a. Loans secured by 1-4 family residential properties	F661			0	F662			0	F663			0	M.1.a
b. Other loans and all leases (exclude loans to individuals for household, family, and other personal expenditures)	1658			0	1659			0	1661			0	M.1.b
2. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RC-N, items 4 and 7, above	6558			0	6559			0	6560			0	M.2
3. Memorandum items 3.a through 3.d are to be completed by banks with \$300 million or more in total assets: (1)													
a. Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RC-N, item 1, above)	1248			N/A	1249			N/A	1250			N/A	M.3.a
b. Loans to and acceptances of foreign banks (included in Schedule RC-N, item 2, above)	5380			N/A	5381			N/A	5382			N/A	M.3.b
c. Commercial and industrial loans to non-U.S. addressees (domicile) (included in Schedule RC-N, item 4, above)	1254			N/A	1255			N/A	1256			N/A	M.3.c
d. Leases to individuals for household, family, and other personal expenditures (included in Schedule RC-N, item 8, above)	F166			N/A	F167			N/A	F168			N/A	M.3.d
Memorandum item 4 is to be completed by: (1)													
• banks with \$300 million or more in total assets													
• banks with less than \$300 million or more in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans:													
4. Loans to finance agricultural production and other loans to farmers (included in Schedule RC-N, item 7, above)	1594			N/A	1597			N/A	1583			N/A	M.4
5. Loans and leases held for sale and loans measured at fair value (included Schedule RC-N, items 1 through 8, above):													
a. Loans and leases held for sale	C240			0	C241			0	C226			0	M.5.a
b. Loans measured at fair value:													
(1) Fair value	F664			0	F665			0	F666			0	M.5.b.1
(2) Unpaid principal balance	F667			0	F668			0	F669			0	M.5.b.2

(1) The \$300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

Schedule RC-N--Continued

Memoranda--Continued

Dollar Amounts in Thousands	(Column A) Past due 30 through 89 days		(Column B) Past due 90 days or more		
	RCON	Bl MI Thou	RCON	Bl MI Thou	
<i>Memorandum item 6 is to be completed by banks with \$300 million or more in total assets: (1)</i>					
6. Interest rate, foreign exchange rate, and other commodity and equity contracts:					
Fair value of amounts carried as assets	3529	N/A	3530	N/A	M.6
7. Additions to nonaccrual assets during the quarter					
8. Nonaccrual assets sold during the quarter					

RCON	Bl MI Thou	
C410		7 M.7
C411		0 M.8

(1) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-O—Other Data for Deposit Insurance and FICO Assessments

All banks must complete items 1 and 2, Memorandum Item 1, and, if applicable, Memorandum Items 2 and 3 each quarter. Each bank that reported \$1 billion or more in total assets in its March 31, 2007, Report of Condition must complete items 4 and 5 each quarter. In addition, each bank that reported \$1 billion or more in total assets in two consecutive Reports of Condition beginning with its June 30, 2007, report must begin to complete items 4 and 5 each quarter starting six months after the second consecutive quarter in which it reports total assets of \$1 billion or more. Each bank that becomes insured by the FDIC on or after April 1, 2007, must complete items 4 and 5 each quarter. Any other bank may choose to complete items 4 and 5, but the bank must then continue to complete items 4 and 5 each quarter thereafter.

Dollar Amounts in Thousands		RCON	BI MI Thou	
1. Total deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations		F236	116,519	1
2. Total allowable exclusions, including interest accrued and unpaid on allowable exclusions		F237	0	2
3. Not applicable				
4. Total daily average of deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations		F238	N/A	4
5. Total daily average of allowable exclusions, including interest accrued and unpaid on allowable exclusions		F239	N/A	5

Memoranda

Dollar Amounts in Thousands		RCON	BI MI Thou	
1. Total assessable deposits of the bank, including related interest accrued and unpaid (sum of Memorandum Items 1.a.(1), 1.b.(1), 1.c.(1), and 1.d.(1) must equal Schedule RC-O, and item 1 less item 2):				
a. Deposit accounts (excluding retirement accounts) of \$100,000 or less: (1)				
(1) Amount of deposit accounts (excluding retirement accounts) of \$100,000 or less		F049	66,776	M.1.a.1
(2) Number of deposit accounts (excluding retirement accounts) of \$100,000 or less (to be completed for the June report only)				
	RCON	Number		
	F050	N/A		M.1.a.2
b. Deposit accounts (excluding retirement accounts) of more than \$100,000: (1)				
(1) Amount of deposit accounts (excluding retirement accounts) of more than \$100,000		F051	42,069	M.1.b.1
(2) Number of deposit accounts (excluding retirement accounts) of more than \$100,000				
	RCON	Number		
	F052	228		M.1.b.2
c. Retirement deposit accounts of \$250,000 or less: (1)				
(1) Amount of retirement deposit accounts of \$250,000 or less		F045	7,675	M.1.c.1
(2) Number of retirement deposit accounts of \$250,000 or less (to be completed for the June report only)				
	RCON	Number		
	F046	N/A		M.1.c.2
d. Retirement deposit accounts of more than \$250,000: (1)				
(1) Amount of retirement deposit accounts of more than \$250,000		F047	0	M.1.d.1
(2) Number of retirement deposit accounts of more than \$250,000				
	RCON	Number		
	F048	0		M.1.d.2

Memorandum Item 2 is to be completed by banks with \$1 billion or more in total assets. (2)

2. Estimated amount of uninsured assessable deposits, including related interest accrued and unpaid (see instructions)		5597	N/A	M.2
3. Has the reporting institution been consolidated with a parent bank or savings association in that parent bank's or parent saving association's Call Report or Thrift Financial Report? If so, report the legal title and FDIC Certificate Number of the parent bank or parent savings association:				
TEXT		RCON	FDIC Cert No.	
A545		A545	0	M.3

- (1) The dollar amounts used as the basis for reporting in Memorandum items 1.a through 1.d reflect the deposit insurance limits in effect on the report date.
- (2) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-P—1-4 Family Residential Mortgage Banking Activities

Schedule RC-P is to be completed by (1) all banks with \$1 billion or more in total assets¹ and (2) banks with less than \$1 billion in total assets at which either 1-4 family residential mortgage loan originations and purchases for resale² from all sources, loan sales, or quarter-end loans held for sale exceed \$10 million for two consecutive quarters.

	Dollar Amounts In Thousands		
	RCON	BII MI Thou	
1. Retail originations during the quarter of closed-end 1-4 family residential mortgage loans for sale:(2)			
a. Closed-end first liens	F066	N/A	1.a
b. Closed-end junior liens	F067	N/A	1.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F670	N/A	1.c.1
(2) Principal amount funded under the lines of credit	F671	N/A	1.c.2
2. Wholesale originations and purchases during the quarter of 1-4 family residential mortgage loans for sale:(2)			
a. Closed-end first liens	F068	N/A	2.a
b. Closed-end junior liens	F069	N/A	2.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F672	N/A	2.c.1
(2) Principal amount funded under the lines of credit	F673	N/A	2.c.2
3. 1-4 family residential mortgage loans sold during the quarter:			
a. Closed-end first liens	F070	N/A	3.a
b. Closed-end junior liens	F071	N/A	3.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F674	N/A	3.c.1
(2) Principal amount funded under the lines of credit	F675	N/A	3.c.2
4. 1-4 family residential mortgage loans held for sale at quarter-end (included in Schedule RC, item 4.a):			
a. Closed-end first liens	F072	N/A	4.a
b. Closed-end junior liens	F073	N/A	4.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F676	N/A	4.c.1
(2) Principal amount funded under the lines of credit	F677	N/A	4.c.2
5. Noninterest income for the quarter from the sale, securitization, and servicing of 1-4 family residential mortgage loans (included in Schedule RI, items 5.f, 5.g, and 5.i):	RIAD		
a. Closed-end 1-4 family residential mortgage loans	F184	N/A	5.a
b. Open-end 1-4 family residential mortgage loans extended under lines of credit	F560	N/A	5.b
6. Repurchases and indemnifications of 1-4 family residential mortgage loans during the quarter:	RCON		
a. Closed-end first liens	F678	N/A	6.a
b. Closed-end junior liens	F679	N/A	6.b
c. Open-end loans extended under line of credit:			
(1) Total commitment under the lines of credit	F680	N/A	6.c.1
(2) Principal amount funded under the lines of credit	F681	N/A	6.c.2

(1) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

(2) Exclude originations and purchases of 1-4 family residential mortgage loans that are held for investment.

Schedule RC-Q—Financial Assets and Liabilities Measured at Fair Value

Schedule RC-Q is to be completed by banks that have adopted FASB Statement No. 157, "Fair Value Measurements," and (1) have elected to account for financial instruments or servicing assets and liabilities at fair value under a fair value option or (2) are required to complete Schedule RC-D—Trading Assets and Liabilities.

Fair Value Measurements for Assets and Liabilities under a Fair Value Option and Trading Assets and Liabilities (Included in Schedule RC)																
	(Column A) Total Fair Value Reported on Schedule RC			(Column B) LESS: Amounts Netted in the Determination of Total Fair Value			(Column C) Level 1 Fair Value Measurements			(Column D) Level 2 Fair Value Measurements			(Column E) Level 3 Fair Value Measurements			
	RCON	Bl	Ml	Thou	RCON	Bl	Ml	Thou	RCON	Bl	Ml	Thou	RCON	Bl	Ml	Thou
Dollar Amounts in Thousands																
ASSETS																
1. Loans and leases	F243		N/A	F682		N/A	F690		N/A	F244		N/A	F245		N/A	1
2. Trading assets	F246		N/A	F683		N/A	F691		N/A	F247		N/A	F248		N/A	2
a. Nontrading securities at fair value with changes in fair value reported in current earnings (included in Schedule RC-Q, item 2, above)	F240		N/A	F684		N/A	F692		N/A	F241		N/A	F242		N/A	2.a
3. All other financial assets and servicing assets	F249		N/A	F685		N/A	F693		N/A	F250		N/A	F251		N/A	3
LIABILITIES																
4. Deposits	F252		N/A	F686		N/A	F694		N/A	F253		N/A	F254		N/A	4
5. Trading liabilities	F255		N/A	F687		N/A	F695		N/A	F256		N/A	F257		N/A	5
6. All other financial liabilities and and servicing liabilities	F258		N/A	F688		N/A	F696		N/A	F259		N/A	F260		N/A	6
7. Loan commitments (not accounted for as derivatives)	F261		N/A	F689		N/A	F697		N/A	F262		N/A	F263		N/A	7

Schedule RC-R—Regulatory Capital

		Dollar Amounts in Thousands		RCOM	Bil Mil Thou	
Tier 1 capital						
1.	Total equity capital (from Schedule RC, item 28)	3210	10,939			1
2.	LESS: Net unrealized gains (losses) on available-for-sale securities (1) (If a gain, report as a positive value; if a loss, report as a negative value)	8434	69			2
3.	LESS: Net unrealized loss on available-for-sale EQUITY securities (1) (report loss as a positive value)	A221	0			3
4.	LESS: Accumulated net gains (losses) on cash flow hedges (1) (If a gain, report as a positive value; if a loss, report as a negative value)	4336	0			4
5.	LESS: Nonqualifying perpetual preferred stock	B588	0			5
6.	Qualifying minority interests in consolidated subsidiaries	B589	0			6
7.a	LESS: Disallowed goodwill and other disallowed intangible assets	B590	0			7.a
b.	LESS: Cumulative change in fair value of all financial liabilities accounted for under a fair value option that is included in retained earnings and is attributable to changes in the bank's own creditworthiness (If a net gain, report as a positive value; if a net loss, report as a negative value)	F264	0			7.b
8.	Subtotal (sum of items 1 and 6, less items 2, 3, 4, 5, 7.a, and 7.b)	C227	10,870			8
9.a.	LESS: Disallowed servicing assets and purchased credit card relationships	B591	0			9.a
b.	LESS: Disallowed deferred tax assets	5610	0			9.b
10.	Other additions to (deductions from) Tier 1 capital	B592	0			10
11.	Tier 1 capital (sum of items 8 and 10, less items 9.a and 9.b)	B274	10,870			11
Tier 2 capital						
12.	Qualifying subordinated debt and redeemable preferred stock	5306	0			12
13.	Cumulative perpetual preferred stock includible in Tier 2 capital	B593	0			13
14.	Allowance for loan and lease losses includible in Tier 2 capital	5310	979			14
15.	Unrealized gains on available-for-sale equity securities includible in Tier 2 capital	2221	0			15
16.	Other Tier 2 capital components	B594	0			16
17.	Tier 2 capital (sum of items 12 through 16)	5311	979			17
18.	Allowable Tier 2 capital (lesser of item 11 or 17)	B275	979			18
19.	Tier 3 capital allocated for market risk	1395	0			19
20.	LESS: Deductions for total risk-based capital	B595	0			20
21.	Total risk-based capital (sum of items 11, 18, and 19, less item 20)	3792	11,849			21
Total assets for leverage ratio						
22.	Average total assets (from Schedule RC-K, item 9)	3368	130,982			22
23.	LESS: Disallowed goodwill and other disallowed intangible assets (from item 7.a above)	B590	0			23
24.	LESS: Disallowed servicing assets and purchased credit card relationships (from item 9.a above)	B591	0			24
25.	LESS: Disallowed deferred tax assets (from item 9.b above)	5610	0			25
26.	LESS: Other deductions from assets for leverage capital purposes	B596	0			26
27.	Average total assets for leverage capital purposes (item 22 less items 23 through 26)	A224	130,982			27
Adjustments for financial subsidiaries						
28. a.	Adjustment to Tier 1 capital reported in item 11	C228	0			28.a
b.	Adjustment to total risk-based capital reported in item 21	B503	0			28.b
29.	Adjustment to risk-weighted assets reported in item 62	B504	0			29
30.	Adjustment to average total assets reported in item 27	B505	0			30
Capital ratios						
(Column B is to be completed by all banks. Column A is to be completed by banks with financial subsidiaries.)						
31.	Tier 1 leverage ratio (2)	7273	0.00%	7204	8.30%	31
32.	Tier 1 risk-based capital ratio (3)	7274	0.00%	7206	10.24%	32
33.	Total risk-based capital ratio (4)	7275	0.00%	7205	11.16%	33

(1) Report amount included in Schedule RC, item 26.b, "Accumulated other comprehensive income."

(2) The ratio for column B is item 11 divided by item 27. The ratio for column A is item 11 minus item 28.a divided by (item 27 minus item 30).

(3) The ratio for column B is item 11 divided by item 62. The ratio for column A is item 11 minus item 28.a divided by (item 62 minus item 29).

(4) The ratio for column B is item 21 divided by item 62. The ratio for column A is item 21 minus item 28.b divided by (item 62 minus item 29).

Schedule RC-R—Continued

Banks are not required to risk-weight each on-balance sheet asset and the credit equivalent amount of each off-balance sheet item that qualifies for a risk weight of less than 100 percent (50 percent for derivatives) at its lower risk weight. When completing items 34 through 54 of Schedule RC-R, each bank should decide for itself how detailed a risk-weight analysis it wishes to perform. In other words, a bank can choose from among its assets and off-balance sheet items that have a risk weight of less than 100 percent which ones to risk-weight at an appropriate lower risk weight, or it can simply risk-weight some or all of these items at a 100 percent risk weight (50 percent for derivatives).

Dollar Amounts in Thousands	(Column A)	(Column B)	(Column C)	(Column D)	(Column E)	(Column F)	
	Totals	Items Not	Allocation by Risk Weight Category				
	(from Schedule RC)	Subject to Risk-Weighting	0%	20%	50%	100%	
	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	
Balance Sheet Asset Categories							
34. Cash and balances due from depository institutions (Column A equals the sum of Schedule RC items 1.a and 1.b)	RCON 0010 9,826	RCON C869 0	RCON B600 823	RCON B601 8,703		RCON B602 0	34
35. Held-to-maturity securities	RCON 1754 0	RCON B603 0	RCON B604 0	RCON B605 0	RCON B606 0	RCON B607 0	35
36. Available-for-sale securities	RCON 1773 17,037	RCON B608 109	RCON B609 0	RCON B610 15,092	RCON B611 1,836	RCON B612 0	36
37. Federal funds sold and securities purchased under agreements to resell	RCON C225 4,689		RCON C063 0	RCON C064 4,689		RCON B520 0	37
38. Loans and leases held for sale	RCON 5369 0	RCON B617 0	RCON B618 0	RCON B619 0	RCON B620 0	RCON B621 0	38
39. Loans and leases, net of unearned income	RCON B528 97,756	RCON B622 0	RCON B623 0	RCON B624 0	RCON B625 21,942	RCON B626 75,814	39
40. LESS: Allowance for loan and lease losses	RCON 3123 979	RCON 3123 979					40
41. Trading assets	RCON 3545 0	RCON B627 0	RCON B628 0	RCON B629 0	RCON B630 0	RCON B631 0	41
42. All other assets (1)	RCON B639 7,556	RCON B640 0	RCON B641 0	RCON B642 677	RCON B643 21	RCON 5339 6,858	42
43. Total assets (sum of items 34 through 42)	RCON 2170 135,588	RCON B644 (870)	RCON 5320 823	RCON 5327 29,161	RCON 5334 23,799	RCON 5340 82,672	43

(1) Includes premises and fixed assets, other real estate owned, investments in unconsolidated subsidiaries and associated companies, intangible assets, and other assets.

Schedule RC-R—Continued

	(Column A)	Credit Conversion Factor	(Column B)	(Column C) (Column D) (Column E) (Column F)				
	Face Value or Notional Amount			Credit Equivalent Amount (1)	Allocation by Risk Weight Category			
	0%			20%	50%	100%		
Dollar Amounts in Thousands	Bl Mil Thou		Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	
Derivatives and Off-Balance Sheet Items	RCON B546	See footnote 2	RCON B547	RCON B548	RCON B581	RCON B582	RCON B583	44
44. Financial standby letters of credit	463	1.00	463	0	0	0	463	
45. Performance standby letters of credit	RCON 3821	.50	RCON B650	RCON B651	RCON B652	RCON B653	RCON B654	45
	0		0	0	0	0	0	
46. Commercial and similar letters of credit	RCON 3411	.20	RCON B655	RCON B656	RCON B657	RCON B658	RCON B659	46
	0		0	0	0	0	0	
47. Risk participations in bankers acceptances acquired by the reporting institution	RCON 3429	1.00	RCON B660	RCON B661	RCON B662		RCON B663	47
	0		0	0	0		0	
48. Securities lent	RCON 3433	1.00	RCON B664	RCON B665	RCON B666	RCON B667	RCON B668	48
	0		0	0	0	0	0	
49. Retained recourse on small business obligations sold with recourse	RCON A250	1.00	RCON B669	RCON B670	RCON B671	RCON B672	RCON B673	49
	0		0	0	0	0	0	
50. Recourse and direct credit substitutes (other than financial standby letters of credit) subject to the low-level exposure rule and residual interests subject to a dollar-for-dollar capital requirement	RCON B541	See footnote 3	RCON B542				RCON B543	50
	0	12.500	0				0	
51. All other financial assets sold with recourse	RCON B675	1.00	RCON B676	RCON B677	RCON B678	RCON B679	RCON B680	51
	0		0	0	0	0	0	
52. All other off-balance sheet liabilities	RCON B681	1.00	RCON B682	RCON B683	RCON B684	RCON B685	RCON B686	52
	0		0	0	0	0	0	
53. Unused commitments with an original maturity exceeding one year	RCON 3833	.50	RCON B687	RCON B688	RCON B689	RCON B690	RCON B691	53
	10,584		5,292	0	0	0	5,292	
54. Derivative contracts			RCON A167	RCON B693	RCON B694	RCON B695		54
			0	0	0	0		

(1) Column A multiplied by credit conversion factor.

(2) For financial standby letters of credit to which the low-level exposure rule applies, use a credit conversion factor of 12.5 or an institution-specific factor.

For other financial standby letters of credit, use a credit conversion factor of 1.00. See instructions for further information. (Entering an 'M' allows for data entry in Column B.)

(3) Or institution specific factor.

Schedule RC-R—Continued

	(Column C)	(Column D)	(Column E)	(Column F)	
	Allocation by Risk Weight Category				
	0%	20%	50%	100%	
Dollar Amounts in Thousands	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	
Totals					
55. Total assets, derivatives, and off-balance sheet items by risk weight category (for each column, sum of items 43 through 54)	RCON B696	RCON B697	RCON B698	RCON B699	
	823	29,181	23,799	88,427	55
56. Risk weight factor	x 0%	x 20%	x 50%	x 100%	56
57. Risk-weighted assets by risk weight category (for each column, item 55 multiplied by item 56)	RCON B700	RCON B701	RCON B702	RCON B703	
	0	6,832	11,900	88,427	57
58. Market risk equivalent assets				RCON 1651	58
				0	
59. Risk-weighted assets before deductions for excess allowance for loan and lease losses and allocated transfer risk reserve (sum of item 57, columns C through F, and item 58)				RCON B704	59
				106,159	
60. LESS: Excess allowance for loan and lease losses				RCON A222	60
				0	
61. LESS: Allocated transfer risk reserve				RCON 3128	61
				0	
62. Total risk-weighted assets (item 59 minus items 60 and 61)				RCON A223	62
				106,159	

Memoranda

Dollar Amounts in Thousands	RCON	Bl Mil Thou	
1. Current credit exposure across all derivative contracts covered by the risk-based capital standards	8764		M.1

	With a remaining maturity of						
	(Column A) One year or less		(Column B) Over one year through five years		(Column C) Over five years		
	RCON	Trl Bl Mil Thou	RCON	Trl Bl Mil Thou	RCON	Trl Bl Mil Thou	
2. Notional principal amounts of derivative contracts: (1)							
a. Interest rate contracts	3809	0	8766	0	8767	0	M.2.a
b. Foreign exchange contracts	3812	0	8769	0	8770	0	M.2.b
c. Gold contracts	8771	0	8772	0	8773	0	M.2.c
d. Other precious metals contracts	8774	0	8775	0	8776	0	M.2.d
e. Other commodity contracts	8777	0	8778	0	8779	0	M.2.e
f. Equity derivative contracts	A000	0	A001	0	A002	0	M.2.f
g. Credit derivative contracts:							
(1) Investment grade	C980	0	C981	0	C982	0	M.2.g.1
(2) Subinvestment grade	C983	0	C984	0	C985	0	M.2.g.2

(1) Exclude foreign exchange contracts with an original maturity of 14 days or less and all futures contracts.

Schedule RC-S—Servicing, Securitization, and Asset Sale Activities

	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets
	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou
Dollar Amounts in Thousands							
Bank Securitization Activities							
1. Outstanding principal balance of assets sold and securitized by the reporting bank with servicing retained or with recourse or other seller-provided credit enhancements	RCON B705 0	RCON B706 0	RCON B707 0	RCON B708 0	RCON B709 0	RCON B710 0	RCON B711 0
2. Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to structures reported in item 1 in the form of:							
a. Credit-enhancing interest-only strips (included in Schedules RC-B or RC-F or in Schedule RC, item 5)	RCON B712 0	RCON B713 0	RCON B714 0	RCON B715 0	RCON B716 0	RCON B717 0	RCON B718 0
b. Subordinated securities and other residual interests	RCON C393 0	RCON C394 0	RCON C395 0	RCON C396 0	RCON C397 0	RCON C398 0	RCON C399 0
c. Standby letters of credit and other enhancements	RCON C400 0	RCON C401 0	RCON C402 0	RCON C403 0	RCON C404 0	RCON C405 0	RCON C406 0
3. Reporting bank's unused commitments to provide liquidity to structures reported in Item 1	RCON B726 0	RCON B727 0	RCON B728 0	RCON B729 0	RCON B730 0	RCON B731 0	RCON B732 0
4. Past due loan amounts included in Item 1:							
a. 30-89 days past due	RCON B733 0	RCON B734 0	RCON B735 0	RCON B736 0	RCON B737 0	RCON B738 0	RCON B739 0
b. 90 days or more past due	RCON B740 0	RCON B741 0	RCON B742 0	RCON B743 0	RCON B744 0	RCON B745 0	RCON B746 0
5. Charge-offs and recoveries on assets sold and securitized with servicing retained or with recourse or other seller-provided credit enhancements (calendar year-to-date):							
a. Charge-offs	RIAD B747 0	RIAD B748 0	RIAD B749 0	RIAD B750 0	RIAD B751 0	RIAD B752 0	RIAD B753 0
b. Recoveries	RIAD B754 0	RIAD B755 0	RIAD B756 0	RIAD B757 0	RIAD B758 0	RIAD B759 0	RIAD B760 0

Legal Title of Bank

FDIC Certificate Number: 27055

Submitted to CDR on 10/23/2008 at 10:57 AM

Schedule RC-S—Continued

	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets	
Dollar Amounts in Thousands	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	
6. Amount of ownership (or seller's) interests carried as:								
a. Securities (Included in Schedule RC-B or in Schedule RC, item 5)		RCON B761 0	RCON B762 0			RCON B763 0		6.a
b. Loans (Included in Schedule RC-C)		RCON B500 0	RCON B501 0			RCON B502 0		6.b
7. Past due loan amounts included in interests reported in item 6.a:								
a. 30-89 days past due		RCON B764 0	RCON B765 0			RCON B766 0		7.a
b. 90 days or more past due		RCON B767 0	RCON B768 0			RCON B769 0		7.b
8. Charge-offs and recoveries on loan amounts included in interests reported in item 6.a (calendar year-to-date):								
a. Charge-offs		RIAD B770 0	RIAD B771 0			RIAD B772 0		8.a
b. Recoveries		RIAD B773 0	RIAD B774 0			RIAD B775 0		8.b
For Securitization Facilities Sponsored By or Otherwise Established By Other Institutions								
9. Maximum amount of credit exposure arising from credit enhancements provided by the reporting bank to other institutions' securitization structures in the form of standby letters of credit, purchased subordinated securities, and other enhancements	RCON B776 0	RCON B777 0	RCON B778 0	RCON B779 0	RCON B780 0	RCON B781 0	RCON B782 0	9
10. Reporting bank's unused commitments to provide liquidity to other institutions' securitization structures	RCON B783 0	RCON B784 0	RCON B785 0	RCON B786 0	RCON B787 0	RCON B788 0	RCON B789 0	10

Clover Community Bank

Legal Title of Bank

FDIC Certificate Number: 27055
Submitted to CDR on 10/23/2008 at 10:57 AM

Schedule RC-S—Continued

	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets
	BH MI Thou	BH MI Thou	BH MI Thou	BH MI Thou	BH MI Thou	BH MI Thou	BH MI Thou
Dollar Amounts in Thousands							
Bank Asset Sales							
11. Assets sold with recourse or other seller-provided credit enhancements and not securitized by the reporting bank	RCON B790 0	RCON B791 0	RCON B792 0	RCON B793 0	RCON B794 0	RCON B795 0	RCON B796 0
12. Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to assets reported in item 11	RCON B797 0	RCON B798 0	RCON B799 0	RCON B800 0	RCON B801 0	RCON B802 0	RCON B803 0

Memoranda

	Dollar Amounts in Thousands		
	RCON	BH MI Thou	
1. Small business obligations transferred with recourse under Section 208 of the Riegle Community Development and Regulatory Improvement Act of 1994:			
a. Outstanding principal balance	A249	0	M.1.a
b. Amount of retained recourse on these obligations as of the report date	A250	0	M.1.b
2. Outstanding principal balance of assets serviced for others (includes participations serviced for others):			
a. Closed-end 1-4 family residential mortgages serviced with recourse or other servicer-provided credit enhancements	B804	0	M.2.a
b. Closed-end 1-4 family residential mortgages serviced with no recourse or other servicer-provided credit enhancements	B805	0	M.2.b
c. Other financial assets (Includes home equity lines) (1)	A591	0	M.2.c
d. 1-4 family residential mortgages serviced for others that are in process of foreclosure at quarter-end (includes closed-end and open-end loans)	F699	0	M.2.d
3. Asset-backed commercial paper conduits:			
a. Maximum amount of credit exposure arising from credit enhancements provided to conduit structures in the form of standby letters of credit, subordinated securities, and other enhancements:			
(1) Conduits sponsored by the bank, a bank affiliate, or the bank's holding company	B806	0	M.3.a.1
(2) Conduits sponsored by other unrelated institutions	B807	0	M.3.a.2
b. Unused commitments to provide liquidity to conduit structures:			
(1) Conduits sponsored by the bank, a bank affiliate, or the bank's holding company	B808	0	M.3.b.1
(2) Conduits sponsored by other unrelated institutions	B809	0	M.3.b.2
4. Outstanding credit card fees and finance charges included in Schedule RC-S, item 1, column C (2)	C407	N/A	M.4

(1) Memorandum item 2.c is to be completed if the principal balance of other financial assets serviced for others is more than \$10 million.

(2) Memorandum item 4 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.

Schedule RC-T—Fiduciary and Related Services

Items 12 through 18, Items 20 through 23, and Memorandum item 4 will not be made available to the public on an individual institution basis.

1. Does the institution have fiduciary powers? (If "NO," do not complete Schedule RC-T)	RCON A345	YES / NO NO	1
2. Does the institution exercise the fiduciary powers it has been granted?	RCON A346	YES / NO NO	2
3. Does the institution have any fiduciary or related activity (in the form of assets or accounts) to report in this schedule? (If "NO," do not complete the rest of Schedule RC-T.)	RCON B867	YES / NO NO	3

If the answer to item 3 is "YES," complete the applicable items of Schedule RC-T, as follows:

Institutions with total fiduciary assets (item 9, sum of columns A and B) greater than \$250 million (as of the preceding December 31) or with gross fiduciary and related services income greater than 10% of revenue (net interest income plus noninterest income) for the preceding calendar year must complete:

- Items 4 through 19 quarterly,
- Items 20 through 23 annually with the December report, and
- Memorandum items 1 through 4 annually with the December report.

Institutions with total fiduciary assets (item 9, sum of columns A and B) greater than \$100 million but less than or equal to \$250 million (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:

- Items 4 through 23 annually with the December report, and
- Memorandum Items 1 through 4 annually with the December report.

Institutions with total fiduciary assets (item 9, sum of columns A and B) of \$100 million or less (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:

- Items 4 through 10 annually with the December report, and
- Memorandum Items 1 through 3 annually with the December report.

	(Column A) Managed Assets	(Column B) Non-Managed Assets	(Column C) Number of Managed Accounts	(Column D) Number of Non-Managed Accounts	
	TR BR MI THOU	TR BR MI THOU			
Dollar Amounts in Thousands					
FIDUCIARY AND RELATED ASSETS	RCON B868	RCON B869	RCON B870	RCON B871	
4. Personal trust and agency accounts	N/A	N/A	N/A	N/A	4
5. Retirement related trust & agency accounts:	RCON B872	RCON B873	RCON B874	RCON B875	
a. Employee benefit-defined contribution	N/A	N/A	N/A	N/A	5.a
b. Employee benefit-defined benefit	RCON B876	RCON B877	RCON B878	RCON B879	5.b
c. Other retirement accounts	N/A	N/A	N/A	N/A	5.c
6. Corporate trust and agency accounts	RCON B880	RCON B881	RCON B882	RCON B883	
	N/A	N/A	N/A	N/A	
7. Investment management agency accounts	RCON B884	RCON B885	RCON C001	RCON C002	6
	N/A	N/A	N/A	N/A	
	RCON B886		RCON B888		
	N/A		N/A		7
	RCON B890	RCON B891	RCON B892	RCON B893	
	N/A	N/A	N/A	N/A	8
8. Other fiduciary accounts	RCON B894	RCON B895	RCON B896	RCON B897	
9. Total fiduciary accounts (sum of items 4 through 8)	N/A	N/A	N/A	N/A	9
		RCON B898		RCON B899	
10. Custody and safekeeping accounts		N/A		N/A	10
11. Not applicable					

Schedule RC-T—Continued

		Dollar Amounts in Thousands		
		RIAD	BI MI Thou	
FIDUCIARY AND RELATED SERVICES INCOME				
12.	Personal trust and agency accounts	B904	N/A	12
13.	Retirement related trust and agency accounts:			
a.	Employee benefit—defined contribution	B905	N/A	13.a
b.	Employee benefit—defined benefit	B906	N/A	13.b
c.	Other retirement accounts	B907	N/A	13.c
14.	Corporate trust and agency accounts	A479	N/A	14
15.	Investment management agency accounts	B908	N/A	15
16.	Other fiduciary accounts	A480	N/A	16
17.	Custody and safekeeping accounts	B909	N/A	17
18.	Other fiduciary and related services income	B910	N/A	18
19.	Total gross fiduciary and related services income (sum of items 12 through 18) (must equal Schedule RI, item 5.a)	4070	N/A	19
20.	LESS: Expenses	C058	N/A	20
21.	LESS: Net losses from fiduciary and related services	A488	N/A	21
22.	PLUS: Intracompany income credits for fiduciary and related services	B911	N/A	22
23.	Net fiduciary and related services income	A491	N/A	23

Memoranda

		Dollar Amounts in Thousands		
		Managed Assets		
		RCON	BI MI Thou	
1.	Managed assets held in personal trust and agency accounts:			
a.	Noninterest-bearing deposits	B913	N/A	M.1.a
b.	Interest-bearing deposits	B914	N/A	M.1.b
c.	U.S. Treasury and U.S. Government agency obligations	B915	N/A	M.1.c
d.	State, county and municipal obligations	B916	N/A	M.1.d
e.	Money market mutual funds	B917	N/A	M.1.e
f.	Other short-term obligations	B918	N/A	M.1.f
g.	Other notes and bonds	B919	N/A	M.1.g
h.	Common and preferred stocks	B920	N/A	M.1.h
i.	Real estate mortgages	B921	N/A	M.1.i
j.	Real estate	B922	N/A	M.1.j
k.	Miscellaneous assets	B923	N/A	M.1.k
l.	Total managed assets held in personal trust and agency accounts (sum of Memorandum items 1.a through 1.k) (must equal Schedule RC-T, item 4, column A)	B868	N/A	M.1.l

		(Column A) Number of Issues	(Column B) Principal Amount Outstanding	
		RCON	Tr BI MI Thou	
		RCON B928		
2.	Corporate trust and agency accounts:			
a.	Corporate and municipal trusteeships	B927	N/A	M.2.a
b.	Transfer agent, registrar, paying agent, and other corporate agency	B929	N/A	M.2.b

REPORT OF CONDITION

Consolidating domestic subsidiaries of
Clover Community Bank
in the state of SC at close of business on **September 30, 2008**
published in response to call made by (Enter additional information below)

Statement of Resources and Liabilities

Dollar Amounts in Thousands

ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	3,288
Interest-bearing balances	6,238
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	17,037
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold	4,689
Securities purchased under agreements to resell	0
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	97,756
LESS: Allowance for loan and lease losses	979
Loans and leases, net of unearned income and allowance	96,777
Trading Assets	0
Premises and fixed assets (including capitalized leases)	2,250
Other real estate owned	1,174
Investments in unconsolidated subsidiaries and associated companies	0
Intangible assets:	
Goodwill	0
Other intangible assets	0
Other assets	4,132
Total assets	135,585

REPORT OF CONDITION (Continued)

LIABILITIES

Dollar Amounts in Thousands

Deposits:

In domestic offices		118,977
Noninterest-bearing	11,471	
Interest-bearing	104,508	
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased		0
Securities sold under agreements to repurchase		0
Trading liabilities		0
Other borrowed money (Includes mortgage indebtedness and obligations under capitalized leases)		8,000
Subordinated notes and debentures		0
Other liabilities		889
Total liabilities		124,646
Minority interest in consolidated subsidiaries		0

EQUITY CAPITAL

Perpetual preferred stock and related surplus		0
Common stock		1,264
Surplus (exclude all surplus related to preferred stock)		2,070
Retained earnings		7,536
Accumulated other comprehensive income		69
Other equity capital components		0
Total equity capital		10,939
Total liabilities, minority interest, and equity capital		135,585

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

I, Jerry L. Glenn, Senior Vice President & CFO
(Name, Title)

of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Director #1

Director #2

Director #3

Federal Financial Institutions Examination Council

Please refer to page 1.

1

Table of Contents, for
the required disclosure
of estimated burden.

Consolidated Reports of Condition and Income for A Bank With Domestic Offices Only—FFIEC 041

Report at the close of Business December 31, 2008

(20081231)

(RCON 9999)

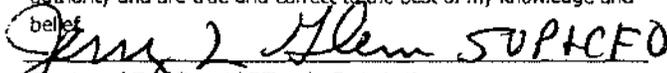
This report is required by law: 12 U.S.C. §324 (State member banks); 12 U.S.C. §1817 (State nonmember banks); and 12 U.S.C. §161 (National banks).

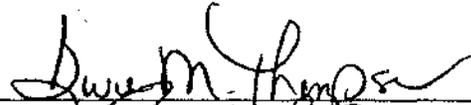
This report form is to be filed by banks with domestic offices only. Banks with foreign offices (as defined in the Instructions) must file FFIEC 031.

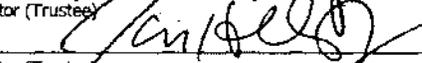
NOTE: Each bank's board of directors and senior management are responsible for establishing and maintaining an effective system of internal control, including controls over the Reports of Condition and Income. The Reports of Condition and Income are to be prepared in accordance with Federal regulatory authority instructions. The Reports of Condition and Income must be signed by the Chief Financial Officer (CFO) of the reporting bank (or by the individual performing an equivalent function) and attested to by not less than two directors (trustees) for State nonmember banks and three directors for State member and National banks.

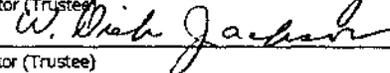
We, the undersigned directors (trustees), attest to the correctness of the Reports of Condition and Income (including the supporting schedules) for this report date and declare that the Reports of Condition and Income have been examined by us and to the best of our knowledge and belief have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct.

I, the undersigned CFO (or equivalent) of the named bank, attest that the Reports of Condition and Income (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct to the best of my knowledge and belief.


Signature of Chief Financial Officer (or Equivalent)
MARCH 20, 2009
Date of Signature


Director (Trustee)


Director (Trustee)


Director (Trustee)

Submission of Reports

Each bank must file its Reports of Condition and Income (Call Report) data by either:

- Using computer software to prepare its Call Report and then submitting the report data directly to the FFIEC's Central Data Repository (CDR), an Internet-based system for data collection (<https://cdr.ffiec.gov/cdr/>), or
- Completing its Call Report in paper form and arranging with a software vendor or another party to convert the data into the electronic format that can be processed by the CDR. The software vendor or other party then must electronically submit the bank's data file to the CDR.

To fulfill the signature and attestation requirement for the Reports of Condition and Income for this report date, attach your bank's completed signature page (or a photocopy or a computer-generated version of this page) to the hard-copy record of the data file submitted to the CDR that your bank must place in its files.

The appearance of your bank's hard-copy record of the submitted data file need not match exactly the appearance of the FFIEC's sample report forms, but should show at least the caption of each Call Report item and the reported amount.

For technical assistance with submissions to the CDR, please contact the CDR Help Desk by telephone at (888) CDR-3111, by fax at (301) 495-7864, or by e-mail at CDR.Help@ffiec.gov.

Clover Community Bank

Legal Title of Bank (RSSD 9017)

Clover

City (RSSD 9130)

SC

State Abbrev. (RSSD 9200)

29710

Zip Code (RSSD 9220)

FDIC Certificate Number

27055

(RSSD 9050)

Contact Information for the Reports of Condition and Income

To facilitate communication between the Agencies and the bank concerning the Reports of Condition and Income, please provide contact information for (1) the Chief Financial Officer (or equivalent) of the bank signing the reports for this quarter and (2) the person at the bank - other than the Chief Financial Officer (or equivalent) - to whom questions about the reports should be directed. If the Chief Financial Officer (or equivalent) is the primary contact for questions about the reports, please provide contact information for another person at the bank who will serve as a secondary contact for communications between the Agencies and the bank concerning the Reports of Condition and Income. Enter "none" for the contact's e-mail address or fax number if not available. Contact information for the Reports of Condition and Income is for the confidential use of the Agencies and will not be released to the public.

Chief Financial Officer (or Equivalent) Signing the Reports

Jerry L. Glenn
Name (TEXT C490)
Senior Vice President & CFO
Title (TEXT C491)
jglenn@clovercommunitybank.com
E-mail Address (TEXT C492)
(803) 222-8612
Telephone: Area code/phone number/extension (TEXT C493)
(803) 222-3129
FAX: Area code/phone number (TEXT C494)

Other Person to Whom Questions about the Reports Should be Directed

Gwen M. Thompson
Name (TEXT C495)
President & CEO
Title (TEXT C496)
gthompson@clovercommunitybank.com
E-mail Address (TEXT 4086)
(803) 222-7660
Telephone: Area code/phone number/extension (TEXT 8902)
(803) 222-2922
FAX: Area code/phone number (TEXT 9116)

Emergency Contact Information

This information is being requested so the Agencies can distribute critical, time sensitive information to emergency contacts at banks. Please provide primary contact information for a senior official of the bank who has decision-making authority. Also provide information for a secondary contact if available. Enter "none" for the contact's e-mail address or fax number if not available. Emergency contact information is for the confidential use of the Agencies and will not be released to the public.

Primary Contact

Gwen M. Thompson
Name (TEXT C366)
President & CEO
Title (TEXT C367)
gthompson@clovercommmunitybank.com
E-mail Address (TEXT C368)
(803) 222-7660
Telephone: Area code/phone number/extension (TEXT C369)
(803) 222-2922
FAX: Area code/phone number (TEXT C370)

Secondary Contact

Gerald Bolin
Name (TEXT C371)
EVP & COO
Title (TEXT C372)
gerald.bolin@clovercommunitybank.com
E-mail Address (TEXT C373)
(803) 222-7660
Telephone: Area code/phone number/extension (TEXT C374)
(803) 222-2922
FAX: Area code/phone number (TEXT C375)

USA PATRIOT Act Section 314(a) Anti-Money Laundering Contact Information

This information is being requested to identify points-of-contact who are in charge of your depository institution's Section 314(a) searches and who could be contacted by federal law enforcement officers for additional information related to anti-terrorist financing and anti-money laundering. Please provide information for a secondary contact if available. Information for a third and fourth contact may be provided at the bank's option. Enter "none" for the contact's e-mail address or fax number if not available. USA PATRIOT Act contact information is for the confidential use of the Agencies and the Financial Crimes Enforcement Network (FinCEN) and will not be released to the public.

Primary Contact

Lisa Lechner
Name (TEXT C437)
VP & Compliance Officer
Title (TEXT C438)
llechner@clovercommunitybank.com
E-mail Address (TEXT C439)
(803) 222-7660
Telephone: Area code/phone number/extension (TEXT C440)
(803) 222-2922
FAX: Area code/phone number (TEXT C441)

Third Contact

Name (TEXT C870)
Title (TEXT C871)
E-mail Address (TEXT C872)
Telephone: Area code/phone number/extension (TEXT C873)
FAX: Area code/phone number (TEXT C874)

Secondary Contact

Gerald Bolin
Name (TEXT C442)
EVP & COO
Title (TEXT C443)
gerald.bolin@clovercommunitybank.com
E-mail Address (TEXT C444)
(803) 222-7660
Telephone: Area code/phone number/extension (TEXT C445)
(803) 222-2922
FAX: Area code/phone number (TEXT C446)

Fourth Contact

Name (TEXT C875)
Title (TEXT C876)
E-mail Address (TEXT C877)
Telephone: Area code/phone number/extension (TEXT C878)
FAX: Area code/phone number (TEXT C879)

Clover Community Bank

Legal Title of Bank

Clover

City

SC 29710

State Zip Code

FDIC Certificate Number: 27055

Submitted to CDR on 3/20/2009 at 6:44 PM

**Consolidated Report of Income
for the period January 1, 2008 – December 31, 2008**

All Report of Income schedules are to be reported on a calendar year-to-date basis in thousands of dollars.

Schedule RI—Income Statement

	Dollar Amounts in Thousands		
	RIAD	Bil Mil Thou	
1. Interest Income:			
a. Interest and fee income on loans:			
(1) Loans secured by real estate:			
(a) Loans secured by 1-4 family residential properties	4435	1,585	1.a.1.a
(b) All other loans secured by real estate	4436	4,109	1.a.1.b
(2) Commercial and industrial loans	4012	897	1.a.2
(3) Loans to individuals for household, family, and other personal expenditures:			
(a) Credit cards	B485	21	1.a.3.a
(b) Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	B486	379	1.a.3.b
(4) Loans to foreign governments and official institutions	4056	0	1.a.4
(5) All other loans (1)	4058	0	1.a.5
(6) Total interest and fee income on loans (sum of items 1.a.(1)(a) through 1.a.(5))	4010	6,981	1.a.6
b. Income from lease financing receivables	4065	0	1.b
c. Interest income on balances due from depository institutions (2)	4115	98	1.c
d. Interest and dividend income on securities:			
(1) U.S. Treasury securities and U.S. Government agency obligations (excluding mortgage-backed securities)	B488	169	1.d.1
(2) Mortgage-backed securities	B489	451	1.d.2
(3) All other securities (includes securities issued by states and political subdivisions in the U.S.)	4060	266	1.d.3
e. Interest income from trading assets	4069	0	1.e
f. Interest income on federal funds sold and securities purchased under agreements to resell	4020	61	1.f
g. Other interest income	4518	0	1.g
h. Total interest income (sum of items 1.a.(6) through 1.g)	4107	8,036	1.h
2. Interest expense:			
a. Interest on deposits:			
(1) Transaction accounts (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts)	4508	25	2.a.1
(2) Nontransaction accounts:			
(a) Savings deposits (includes MMDAs)	0093	743	2.a.2.a
(b) Time deposits of \$100,000 or more	A517	657	2.a.2.b
(c) Time deposits of less than \$100,000	A518	1,197	2.a.2.c
b. Expense of federal funds purchased and securities sold under agreements to repurchase	4180	10	2.b
c. Interest on trading liabilities and other borrowed money	4185	183	2.c

(1) Includes interest and fee income on "Loans to depository institutions and acceptances of other banks," "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

(2) Includes interest income on time certificates of deposit not held for trading.

Schedule RI—Continued

	Year-to-date		
	RIAD	Bl Mil Thou	
Dollar Amounts in Thousands			
2. Interest expense (continued):			
d. Interest on subordinated notes and debentures	4200	0	2.d
e. Total interest expense (sum of items 2.a through 2.d)	4073	2,815	2.e
3. Net interest income (item 1.h minus 2.e)			4074 5,221 3
4. Provision for loan and lease losses			4230 1,376 4
5. Noninterest income:			
a. Income from fiduciary activities (1)	4670	0	5.a
b. Service charges on deposit accounts	4080	1,039	5.b
c. Trading revenue (2)	A220	0	5.c
d. (1) Fees and commissions from securities brokerage	C886	0	5.d.1
(2) Investment banking, advisory, and underwriting fees and commissions	C888	0	5.d.2
(3) Fees and commissions from annuity sales	C887	0	5.d.3
(4) Underwriting income from insurance and reinsurance activities	C386	0	5.d.4
(5) Income from other insurance activities	C387	0	5.d.5
e. Venture capital revenue	B491	0	5.e
f. Net servicing fees	B492	0	5.f
g. Net securitization income	B493	0	5.g
h. Not applicable			
i. Net gains (losses) on sales of loans and leases	5416	0	5.i
j. Net gains (losses) on sales of other real estate owned	5415	0	5.j
k. Net gains (losses) on sales of other assets (excluding securities)	B496	0	5.k
l. Other noninterest income*	B497	126	5.l
m. Total noninterest income (sum of Items 5.a through 5.l)			4079 1,165 5.m
6. a. Realized gains (losses) on held-to-maturity securities			3521 0 6.a
b. Realized gains (losses) on available-for-sale securities			3196 54 6.b
7. Noninterest expense:			
a. Salaries and employee benefits	4135	2,683	7.a
b. Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest)	4217	595	7.b
c. (1) Goodwill impairment losses	C216	0	7.c.1
(2) Amortization expense and impairment losses for other intangible assets	C232	0	7.c.2
d. Other noninterest expense*	4092	1,462	7.d
e. Total noninterest expense (sum of Items 7.a through 7.d)			4093 4,740 7.e
8. Income (loss) before income taxes and extraordinary items and other adjustments (item 3 plus or minus items 4, 5.m, 6.a, 6.b, and 7.e)			4301 334 8
9. Applicable income taxes (on item 8)			4302 50 9
10. Income (loss) before extraordinary items and other adjustments (item 8 minus item 9)			4300 284 10
11. Extraordinary items and other adjustments, net of income taxes*			4320 0 11
12. Net income (loss) (sum of items 10 and 11)			4340 284 12

* Describe on Schedule RI-E—Explanations

- (1) For banks required to complete Schedule RC-T, items 12 through 19, income from fiduciary activities reported in Schedule RI, item 5.a, must equal the amount reported in Schedule RC-T, item 19.
- (2) For banks required to complete Schedule RI, Memorandum item 8, trading revenue reported in Schedule RI, item 5.c, must equal the sum of Memorandum items 8.a through 8.e.

Schedule RI—Continued

Memoranda	Dollar Amounts in Thousands	Year-to-date		
		RIAD	Bl Mll Thou	
1. Interest expense incurred to carry tax-exempt securities, loans, and leases acquired after August 7, 1986, that is not deductible for federal income tax purposes	4513		0	M.1
2. Income from the sale and servicing of mutual funds and annuities (included in Schedule RI, item 8)	8431		0	M.2
3. Income on tax-exempt loans and leases to states and political subdivisions in the U.S. (included in Schedule RI, items 1.a and 1.b)	4313		0	M.3
4. Income on tax-exempt securities issued by states and political subdivisions in the U.S. (included in Schedule RI, item 1.d.(3))	4507		242	M.4
5. Number of full-time equivalent employees at end of current period (round to nearest whole number)	4150		45	M.5
<i>Memorandum item 6 is to be completed by: (1)</i>				
• banks with \$300 million or more in total assets, and				
• banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans.				
6. Interest and fee income on loans to finance agricultural production and other loans to farmers (included in Schedule RI, item 1.a.(5))	4024		N/A	M.6
7. If the reporting bank has restated its balance sheet as a result of applying push down accounting this calendar year, report the date of the bank's acquisition (2)	9106		0	M.7
8. Trading revenue (from cash instruments and derivative instruments) (sum of Memorandum items 8.a through 8.e must equal Schedule RI, item 5.c) (To be completed by banks that reported average trading assets (Schedule RC-K, item 7) of \$2 million or more for any quarter of the preceding calendar year.):				
	RIAD	Bl Mll Thou		
a. Interest rate exposures	8757		N/A	M.8.a
b. Foreign exchange exposures	8758		N/A	M.8.b
c. Equity security and Index exposures	8759		N/A	M.8.c
d. Commodity and other exposures	8760		N/A	M.8.d
e. Credit exposures	F186		N/A	M.8.e
9. Net gains (losses) recognized in earnings on credit derivatives that economically hedge credit exposures held outside the trading account:				
a. Net gains (losses) on credit derivatives held for trading	C889		0	M.9.a
b. Net gains (losses) on credit derivatives held for purposes other than trading	C890		0	M.9.b
10. To be completed by banks with \$300 million or more in total assets: (1) Credit losses on derivatives (see instructions)				
	A251		N/A	M.10
11. Does the reporting bank have a Subchapter S election in effect for federal income tax purposes for the current tax year?				
	RIAD	YES / NO		
	A530		NO	M.11
<i>Memorandum item 12 is to be completed by banks that are required to complete Schedule RC-C, part I, Memorandum items 8.b and 8.c.</i>				
12. Noncash income from negative amortization on closed-end loans secured by 1-4 family residential properties (included in Schedule RI, item 1.a.(1)(a))				
	F228		N/A	M.12
<i>Memorandum item 13 is to be completed by banks that have elected to account for assets and liabilities under a fair value option.</i>				
13. Net gains (losses) recognized in earnings on assets and liabilities that are reported at fair value under a fair value option:				
a. Net gains (losses) on assets				
	F551		N/A	M.13.a
(1) Estimated net gains (losses) on loans attributable to changes in instrument-specific credit risk				
	F552		N/A	M.13.a.1
b. Net gains (losses) on liabilities				
	F553		N/A	M.13.b
(1) Estimated net gains (losses) on liabilities attributable to changes in instrument-specific credit risk				
	F554		N/A	M.13.b.1

(1) The asset size tests and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

(2) For example, a bank acquired on March 1, 2008, would report 2008/03/01

Schedule RI-A—Changes in Equity Capital

Indicate decreases and losses in parentheses.

	Dollar Amounts in Thousands		RIAD	BI MI Thou		
	RIAD	BI MI Thou		RIAD	BI MI Thou	
1. Total equity capital most recently reported for the December 31, 2007, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)	3217	9,964				1
2. Restatements due to corrections of material accounting errors and changes in accounting principles*	8507	0				2
3. Balance end of previous calendar year as restated (sum of items 1 and 2)	8508	9,964				3
4. Net income (loss) (must equal Schedule RI, item 12)	4340	284				4
5. Sale, conversion, acquisition, or retirement of capital stock, net (excluding treasury stock transactions)	8509	0				5
6. Treasury stock transactions, net	8510	0				6
7. Changes incident to business combinations, net	4356	0				7
8. LESS: Cash dividends declared on preferred stock	4470	0				8
9. LESS: Cash dividends declared on common stock	4460	246				9
10. Other comprehensive income (1)	8511	87				10
11. Other transactions with parent holding company* (not included in items 5, 6, 8, or 9 above)	4415	0				11
12. Total equity capital end of current period (sum of items 3 through 11) (must equal Schedule RC, item 28)	3210	10,089				12

* Describe on Schedule RI-E - Explanations.

(1) Includes changes in net unrealized holding gains (losses) on available-for-sale securities, changes in accumulated net gains (losses) on cash flow hedges, and pension and other postretirement plan-related changes other than net periodic benefit cost.

Schedule RI-B—Charge-offs and Recoveries on Loans and Leases and Changes in Allowance for Loan and Lease Losses

Part I. Charge-offs and Recoveries on Loans and Leases

Part I includes charge-offs and recoveries through the allocated transfer risk reserve.

	(Column A) Charge-offs (1)		(Column B) Recoveries		
	Calendar year-to-date				
	RIAD	BI MI Thou	RIAD	BI MI Thou	
Dollar Amounts in Thousands					
1. Loans secured by real estate:					
a. Construction, land development, and other land loans:					
(1) 1-4 family residential construction loans	C891	153	C892	26	1.a.1
(2) Other construction loans and all land development and other land loans	C893	0	C894	0	1.a.2
b. Secured by farmland	3584	0	3585	0	1.b
c. Secured by 1-4 family residential properties:					
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5411	15	5412	0	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:					
(a) Secured by first liens	C234	5	C217	5	1.c.2.a
(b) Secured by junior liens	C235	0	C218	0	1.c.2.b
d. Secured by multifamily (5 or more) residential properties	3588	0	3589	0	1.d
e. Secured by nonfarm nonresidential properties:					
(1) Loans secured by owner-occupied nonfarm nonresidential properties	C895	0	C896	0	1.e.1
(2) Loans secured by other nonfarm nonresidential properties	C897	0	C898	0	1.e.2
2. Loans to depository institutions and acceptances of other banks	4481	0	4482	0	2
3. Not applicable					
4. Commercial and industrial loans	4638	58	4608	16	4
5. Loans to individuals for household, family, and other personal expenditures:					
a. Credit cards	8514	0	8515	0	5.a
b. Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8516	39	8517	6	5.b
6. Loans to foreign governments and official institutions	4643	0	4627	0	6
7. All other loans (2)	4644	0	4628	0	7
8. Lease financing receivables	4266	0	4267	0	8
9. Total (sum of items 1 through 8)	4635	270	4605	53	9

(1) Include write-downs arising from transfers of loans to a held-for-sale account.

(2) Includes charge-offs and recoveries on "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

Schedule RI-B Continued

Part I. Continued

Memoranda

Dollar Amounts in Thousands

	(Column A) Charge-offs (1)				(Column B) Recoveries				
	Calendar year-to-date								
	RIAD	Bl	MI	Thou	RIAD	Bl	MI	Thou	
1. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RI-B, part I, items 4 and 7, above	5409			0	5410			0	M.1
2. Memorandum items 2.a through 2.d are to be completed by banks with \$300 million or more in total assets: (2)									
a. Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RI-B, part I, item 1, above)	4652			N/A	4662			N/A	M.2.a
b. Loans to and acceptances of foreign banks (included in Schedule RI-B, part I, item 2, above)	4654			N/A	4664			N/A	M.2.b
c. Commercial and industrial loans to non-U.S. addressees (domicile) (included in Schedule RI-B, part I, item 4, above)	4646			N/A	4618			N/A	M.2.c
d. Leases to individuals for household, family, and other personal expenditures (included in Schedule RI-B, part I, item 8, above)	F185			N/A	F187			N/A	M.2.d
3. Memorandum item 3 is to be completed by: (2)									
• banks with \$300 million or more in total assets, and									
• banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans: Loans to finance agricultural production and other loans to farmers (included in Schedule RI-B, part I, item 7, above)	4655			N/A	4665			N/A	M.3
Memorandum item 4 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.									
4. Uncollectible retail credit card fees and finance charges reversed against income (i.e., not included in charge-offs against the allowance for loan and lease losses)	C388							N/A	M.4

Calendar year-to-date			
RIAD	Bl	MI	Thou
C388			N/A

- (1) Include write-downs arising from transfers of loans to a held-for-sale account.
- (2) The \$300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

Schedule RI-B Continued

Part II. Changes in Allowance for Loan and Lease Losses

	Dollar Amounts in Thousands	RIAD	BI	MI	Thou	
1. Balance most recently reported for the December 31, 2007, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)		8522			913	1
2. Recoveries (must equal part I, item 9, column B, above)		4605			53	2
3. LESS: Charge-offs (must equal part I, item 9, column A, above less Schedule RI-B, part II, item 4)		C079			270	3
4. LESS: Write-downs arising from transfers of loans to a held-for-sale account		5523			0	4
5. Provision for loan and lease losses (must equal Schedule RI, item 4)		4230			1,376	5
6. Adjustments* (see instructions for this schedule)		C233			0	6
7. Balance end of current period (sum of items 1, 2, 5, and 6, less items 3 and 4) (must equal Schedule RC, item 4.c)		3123			2,072	7
Memoranda						
	Dollar Amounts in Thousands	RIAD	BI	MI	Thou	
1. Allocated transfer risk reserve included in Schedule RI-B, part II, item 7, above		C435			0	M.1
<i>Memorandum items 2 and 3 are to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.</i>						
2. Separate valuation allowance for uncollectible retail credit card fees and finance charges		C389			N/A	M.2
3. Amount of allowance for loan and lease losses attributable to retail credit card fees and finance charges		C390			N/A	M.3
Memorandum item 4 is to be completed by all banks.						
4. Amount of allowance for post-acquisition losses on purchased impaired loans accounted for in accordance with AICPA Statement of Position 03-3 (included in Schedule RI-B, part II, item 7, above)		C781			0	M.4

* Describe on Schedule RI-E—Explanations.

Schedule RI-E—Explanations

Schedule RI-E is to be completed each quarter on a calendar year-to-date basis.

Detail all adjustments in Schedule RI-A and RI-B, all extraordinary items and other adjustments in Schedule RI, and all significant items of other-noninterest income and other noninterest expense in Schedule RI. (See instructions for details.)

		Dollar Amounts in Thousands		Year-to-date		
		RIAD		Bl Mil Thou		
1. Other noninterest income (from Schedule RI, item 5.i)						
Itemize and describe amounts greater than \$25,000 that exceed 3% of Schedule RI, item 5.i:						
TEXT						
a.	Income and fees from the printing and sale of checks	C013		22		1.a
b.	Earnings on/increase in value of cash surrender value of life insurance	C014		50		1.b
c.	Income and fees from automated teller machines (ATMs)	C016		11		1.c
d.	Rent and other income from other real estate owned	4042		0		1.d
e.	Safe deposit box rent	C015		18		1.e
f.	Net change in the fair values of financial instruments accounted for under a fair value option	F229		0		1.f
g.	Bank card and credit card interchange fees	F555		0		1.g
h.	4461	4461		0		1.h
i.	4462	4462		0		1.i
j.	4463	4463		0		1.j
2. Other noninterest expense (from Schedule RI, item 7.d)						
Itemize and describe amounts greater than \$25,000 that exceed 3% of Schedule RI, item 7.d:						
TEXT						
a.	Data processing expenses	C017		0		2.a
b.	Advertising and marketing expenses	0497		80		2.b
c.	Directors' fees	4136		77		2.c
d.	Printing, stationery, and supplies	C018		115		2.d
e.	Postage	8403		69		2.e
f.	Legal fees and expenses	4141		50		2.f
g.	FDIC deposit insurance assessments	4146		33		2.g
h.	Accounting and auditing expenses	F556		86		2.h
i.	Consulting and advisory expenses	F557		0		2.i
j.	Automated teller machine (ATM) and interchange expenses	F558		192		2.j
k.	Telecommunications expenses	F559		66		2.k
l.	4464	4464		0		2.l
m.	4467	4467		0		2.m
n.	4468	4468		0		2.n
3. Extraordinary items and other adjustments and applicable income tax effect (from Schedule RI, item 11) (itemize and describe all extraordinary items and other adjustments):						
TEXT						
a.(1)	4469			4469	0	3.a.1
(2)	Applicable income tax effect	4486		0		3.a.2
b.(1)	4487			4487	0	3.b.1
(2)	Applicable income tax effect	4488		0		3.b.2
c.(1)	4489			4489	0	3.c.1
(2)	Applicable income tax effect	4491		0		3.c.2

Clover Community Bank

Legal Title of Bank

Clover

City

SC 29710

State Zip Code

FDIC Certificate Number: 27055

Submitted to CDR on 3/20/2009 at 6:44 PM

Consolidated Report of Condition for Insured Commercial and State-Chartered Savings Banks for December 31, 2008

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

Schedule RC—Balance Sheet

		Dollar Amounts in Thousands		RCON	Bil Mil Thou	
ASSETS						
1.	Cash and balances due from depository institutions (from Schedule RC-A):					
	a. Noninterest-bearing balances and currency and coin (1)			0081	4,109	1.a
	b. Interest-bearing balances (2)			0071	4,659	1.b
2.	Securities:					
	a. Held-to-maturity securities (from Schedule RC-B, column A)			1754	0	2.a
	b. Available-for-sale securities (from Schedule RC-B, column D)			1773	17,576	2.b
3.	Federal funds sold and securities purchased under agreements to resell:					
	a. Federal funds sold			8987	1,117	3.a
	b. Securities purchased under agreements to resell (3)			8989	0	3.b
4.	Loans and lease financing receivables (from Schedule RC-C):					
	a. Loans and leases held for sale			5369	0	4.a
	b. Loans and leases, net of unearned income	8528	102,607			4.b
	c. LESS: Allowance for loan and lease losses	3123	2,072			4.c
	d. Loans and leases, net of unearned income and allowance (item 4.b minus 4.c)			8529	100,535	4.d
5.	Trading assets (from Schedule RC-D)			3545	0	5
6.	Premises and fixed assets (including capitalized leases)			2145	2,224	6
7.	Other real estate owned (from Schedule RC-M)			2150	1,327	7
8.	Investments in unconsolidated subsidiaries and associated companies (from Schedule RC-M)			2130	0	8
9.	Not Applicable					
10.	Intangible assets:					
	a. Goodwill			3163	0	10.a
	b. Other intangible assets (from Schedule RC-M)			0426	0	10.b
11.	Other assets (from Schedule RC-F)			2160	4,768	11
12.	Total assets (sum of items 1 through 11)			2170	136,315	12

(1) Includes cash items in process of collection and unposted debits.

(2) Includes time certificates of deposit not held for trading.

(3) Includes all securities resale agreements, regardless of maturity.

Legal Title of Bank

FDIC Certificate Number: 27055

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Schedule RC - Continued

		Dollar Amounts in Thousands		RCON	BR	MI	Thou	
LIABILITIES								
13.	Deposits:							
	a. In domestic offices (sum of totals of columns A and C from Schedule RC-E)			2200			117,159	13.a
	(1) Noninterest-bearing (1)	6631	11,647					13.a.1
	(2) Interest-bearing	6636	105,512					13.a.2
	b. Not applicable							
14.	Federal funds purchased and securities sold under agreements to repurchase:							
	a. Federal funds purchased (2)			8993			0	14.a
	b. Securities sold under agreements to repurchase (3)			8995			0	14.b
15.	Trading liabilities (from Schedule RC-D)			3548			0	15
16.	Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases) (from Schedule RC-M)			3190			8,000	16
17. and 18.	Not applicable							
19.	Subordinated notes and debentures (4)			3200			0	19
20.	Other liabilities (from Schedule RC-G)			2930			1,066	20
21.	Total liabilities (sum of Items 13 through 20)			2948			126,225	21
22.	Minority interest in consolidated subsidiaries			3000			0	22
EQUITY CAPITAL								
23.	Perpetual preferred stock and related surplus			3838			0	23
24.	Common stock			3230			1,264	24
25.	Surplus (exclude all surplus related to preferred stock)			3839			2,070	25
26. a.	Retained earnings			3632			8,645	26.a
	b. Accumulated other comprehensive income (5)			8530			111	26.b
27.	Other equity capital components (6)			1130			0	27
28.	Total equity capital (sum of Items 23 through 27)			3210			10,980	28
29.	Total liabilities, minority interest, and equity capital (sum of items 21, 22, and 28)			3300			138,315	29

Memorandum

To be reported with the March Report of Condition.

1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 2007

RCON	Number
6724	N/A

M.1

- | | |
|--|---|
| <p>1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank</p> <p>2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)</p> <p>3 = Attestation on bank management's assertion on the effectiveness of the bank's internal control over financial reporting by a certified public accounting firm</p> | <p>4 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)</p> <p>5 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)</p> <p>6 = Review of the bank's financial statements by external auditors</p> <p>7 = Compilation of the bank's financial statements by external auditors</p> <p>8 = Other audit procedures (excluding tax preparation work)</p> <p>9 = No external audit work</p> |
|--|---|

- (1) Includes total demand deposits and noninterest-bearing time and savings deposits.
- (2) Report overnight Federal Home Loan Bank advances in Schedule RC, item 16, "Other borrowed money."
- (3) Includes all securities repurchase agreements, regardless of maturity.
- (4) Includes limited-life preferred stock and related surplus.
- (5) Includes net unrealized holding gains (losses) on available-for-sale securities, accumulated net gains (losses) on cash flow hedges, and minimum pension liability adjustments.
- (6) Includes treasury stock and unearned Employee Stock Ownership Plan shares.

Clover Community Bank

Legal Title of Bank

FDIC Certificate Number: 27055

Submitted to CDR on 3/20/2009 at 6:44 PM

Schedule RC-A—Cash and Balances Due From Depository Institutions

Schedule RC-A is to be completed only by banks with \$300 million or more in total assets.

Exclude assets held for trading.

	Dollar Amounts in Thousands		RCOM	Bl Mil Thou	
	RCOM	Bl Mil Thou			
1. Cash items in process of collection, unposted debits, and currency and coin:					
a. Cash items in process of collection and unposted debits	0020			N/A	1.a
b. Currency and coin	0080			N/A	1.b
2. Balances due from depository institutions in the U.S.:					
a. U.S. branches and agencies of foreign banks	0083			N/A	2.a
b. Other commercial banks in the U.S. and other depository institutions in the U.S.	0085			N/A	2.b
3. Balances due from banks in foreign countries and foreign central banks:					
a. Foreign branches of other U.S. banks	0073			N/A	3.a
b. Other banks in foreign countries and foreign central banks	0074			N/A	3.b
4. Balances due from Federal Reserve Banks	0090			N/A	4
5. Total (sum of items 1 through 4) (must equal Schedule RC, sum of items 1.a and 1.b)	0010			N/A	5

Schedule RC-B—Securities

Exclude assets held for trading.

Dollar Amounts in Thousands	Held-to-maturity				Available-for-sale				
	(Column A) Amortized Cost		(Column B) Fair Value		(Column C) Amortized Cost		(Column D) Fair Value		
	RCOM	Bl Mil Thou	RCOM	Bl Mil Thou	RCOM	Bl Mil Thou	RCOM	Bl Mil Thou	
1. U.S. Treasury securities	0211	0	0213	0	1286	0	1287	0	1
2. U.S. Government agency obligations (exclude mortgage-backed securities):									
a. Issued by U.S. Government-agencies (1)	1289	0	1290	0	1291	0	1293	0	2.a
b. Issued by U.S. Government-sponsored agencies (2)	1294	0	1295	0	1297	2,881	1298	2,915	2.b
3. Securities Issued by states and political subdivisions in the U.S.	8496	0	8497	0	8498	6,081	8499	5,998	3

(1) Includes Small Business Administration "Guaranteed Loan Pool Certificates," U.S. Maritime Administration obligations, and Export-Import Bank participation certificates.

(2) Includes obligations (other than mortgage-backed securities) issued by the Farm Credit System, the Federal Home Loan Bank System, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Financing Corporation, Resolution Funding Corporation, the Student Loan Marketing Association, and the Tennessee Valley Authority.

Schedule RC-B—Continued

Dollar Amounts in Thousands	Held-to-maturity						Available-for-sale						
	(Column A) Amortized Cost			(Column B) Fair Value			(Column C) Amortized Cost			(Column D) Fair Value			
	RCON	Bl Mll Thou		RCON	Bl Mll Thou		RCON	Bl Mll Thou		RCON	Bl Mll Thou		
4. Mortgage-backed securities (MBS):													
a. Pass-through securities:													
(1) Guaranteed by GNMA	1698	0		1699	0		1701	0		1702	0		4.a.1
(2) Issued by FNMA and FHLMC	1703	0		1705	0		1706	8,385		1707	8,613		4.a.2
(3) Other pass-through securities	1709	0		1710	0		1711	0		1713	0		4.a.3
b. Other mortgage-backed securities (Include CMOs, REMICs, and stripped MBS):													
(1) Issued or guaranteed by FNMA, FHLMC, or GNMA	1714	0		1715	0		1716	50		1717	50		4.b.1
(2) Collateralized by MBS issued or guaranteed by FNMA, FHLMC, or GNMA	1718	0		1719	0		1731	0		1732	0		4.b.2
(3) All other mortgage-backed securities	1733	0		1734	0		1735	0		1736	0		4.b.3
5. Asset-backed securities (ABS)	C026	0		C988	0		C989	0		C027	0		5
6. Other debt securities:													
a. Other domestic debt securities	1737	0		1738	0		1739	0		1741	0		6.a
b. Foreign debt securities	1742	0		1743	0		1744	0		1746	0		6.b
7. Investments in mutual funds and other equity securities with readily determinable fair values (1)							AS10	0		AS11	0		7
8. Total (sum of items 1 through 7) (total of column A must equal Schedule RC, item 2.a) (total of column D must equal Schedule RC, item 2.b)	1754	0		1771	0		1772	17,397		1773	17,578		8

(1) Report Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock in Schedule RC-F, item 4.

Schedule RC-B—Continued

Memoranda

	Dollar Amounts in Thousands		
	RCON	Bil Mil Thou	
1. Pledged securities (1)	0416	4,770	M.1
2. Maturity and repricing data for debt securities (1, 2) (excluding those in nonaccrual status):			
a. Securities issued by the U.S. Treasury, U.S. Government agencies, and states and political subdivisions in the U.S.; other non-mortgage debt securities; and mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of: (3, 4)			
(1) Three months or less	A549	366	M.2.a.1
(2) Over three months through 12 months	A550	834	M.2.a.2
(3) Over one year through three years	A551	605	M.2.a.3
(4) Over three years through five years	A552	1,476	M.2.a.4
(5) Over five years through 15 years	A553	4,892	M.2.a.5
(6) Over 15 years	A554	740	M.2.a.6
b. Mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of: (3, 5)			
(1) Three months or less	A555	81	M.2.b.1
(2) Over three months through 12 months	A556	123	M.2.b.2
(3) Over one year through three years	A557	720	M.2.b.3
(4) Over three years through five years	A558	592	M.2.b.4
(5) Over five years through 15 years	A559	5,038	M.2.b.5
(6) Over 15 years	A560	2,052	M.2.b.6
c. Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS; exclude mortgage pass-through securities) with an expected average life of: (6)			
(1) Three years or less	A561	50	M.2.c.1
(2) Over three years	A562	0	M.2.c.2
d. Debt securities with a REMAINING MATURITY of one year or less (included in Memorandum items 2.a through 2.c above)	A248	1,200	M.2.d
3. Amortized cost of held-to-maturity securities sold or transferred to available-for-sale or trading securities during the calendar year-to-date (report the amortized cost at date of sale or transfer)	1778	0	M.3
4. Structured notes (included in the held-to-maturity and available-for-sale accounts in Schedule RC-B, items 2, 3, 5, and 6):			
a. Amortized cost	8782	398	M.4.a
b. Fair value	8783	396	M.4.b

- (1) Includes held-to-maturity securities at amortized cost and available-for-sale securities at fair value.
- (2) Exclude investments in mutual funds and other equity securities with readily determinable fair values.
- (3) Report fixed rate debt securities by remaining maturity and floating rate debt securities by next repricing date.
- (4) Sum of Memorandum items 2.a.(1) through 2.a.(6) plus any nonaccrual debt securities in the categories of debt securities reported in Memorandum item 2.a that are included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, sum of items 1, 2, 3, 5, and 6, columns A and D, plus mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.
- (5) Sum of Memorandum items 2.b.(1) through 2.b.(6) plus any nonaccrual mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, item 4.a, sum of columns A and D, less the amount of mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.
- (6) Sum of Memorandum items 2.c.(1) and 2.c.(2) plus any nonaccrual "Other mortgage-backed securities" included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, item 4.b, sum of columns A and D.

Schedule RC-B--Continued

Memoranda -- Continued

Dollar Amounts in Thousands	Held-to-maturity						Available-for-sale						
	(Column A) Amortized Cost			(Column B) Fair Value			(Column C) Amortized Cost			(Column D) Fair Value			
	RCON	Bl Mil Thou		RCON	Bl Mil Thou		RCON	Bl Mil Thou		RCON	Bl Mil Thou		
<i>Memorandum items 5.a through 5.f are to be completed by banks with \$1 billion or more in total assets. (1)</i>													
5. Asset-backed securities (ABS)(for each column, sum of Memorandum items 5.a through 5.f must equal Schedule RC-B, item 5):													
a. Credit card receivables	B838	N/A		B839	N/A		B840	N/A		B841	N/A		M.5.a
b. Home equity lines	B842	N/A		B843	N/A		B844	N/A		B845	N/A		M.5.b
c. Automobile loans	B846	N/A		B847	N/A		B848	N/A		B849	N/A		M.5.c
d. Other consumer loans	B850	N/A		B851	N/A		B852	N/A		B853	N/A		M.5.d
e. Commercial and industrial loans	B854	N/A		B855	N/A		B856	N/A		B857	N/A		M.5.e
f. Other	B858	N/A		B859	N/A		B860	N/A		B861	N/A		M.5.f

(1) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Loans and Lease Financing Receivables

Part I. Loans and Leases

Do not deduct the allowance for loan and lease losses or the allocated transfer risk risk reserve from amounts reported in this schedule. Report

- (1) loans and leases held for sale at the lower of cost or fair value,
 (2) loans and leases held for investment, net of unearned income, and
 (3) loans and leases accounted for at fair value under a fair value option.
 Exclude assets held for trading and commercial paper.

Dollar Amounts in Thousands

	(Column A) To Be Completed by Banks with \$300 Million or More in Total Assets (1)		(Column B) To Be Completed by All Banks		
	RCON	Bl Mil Thou	RCON	Bl Mil Thou	
1. Loans secured by real estate:					
a. Construction, land development, and other land loans:					
(1) 1-4 family residential construction loans			F158	9,536	1.a.1
(2) Other construction loans and all land development and other land loans			F159	5,734	1.a.2
b. Secured by farmland (including farm residential and other improvements)			1420	543	1.b
c. Secured by 1-4 family residential properties:					
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit			1797	12,296	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:					
(a) Secured by first liens			5367	22,913	1.c.2.a
(b) Secured by junior liens			5368	787	1.c.2.b
d. Secured by multifamily (5 or more) residential properties			1460	78	1.d
e. Secured by nonfarm nonresidential properties:					
(1) Loans secured by owner-occupied nonfarm nonresidential properties			F160	19,696	1.e.1
(2) Loans secured by other nonfarm nonresidential properties			F161	10,136	1.e.2
2. Loans to depository institutions and acceptances of other banks			1288	0	2
a. To commercial banks in the U.S.:					
(1) To U.S. branches and agencies of foreign banks	B532	N/A			2.a.1
(2) To other commercial banks in the U.S.	B533	N/A			2.a.2
b. To other depository institutions in the U.S.	B534	N/A			2.b
c. To banks in foreign countries:					
(1) To foreign branches of other U.S. banks	B536	N/A			2.c.1
(2) To other banks in foreign countries	B537	N/A			2.c.2
3. Loans to finance agricultural production and other loans to farmers			1590	16	3
4. Commercial and industrial loans			1766	16,524	4
a. To U.S. addressees (domicile)	1763	N/A			4.a
b. To non-U.S. addressees (domicile)	1764	N/A			4.b
5. Not applicable					
6. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):					
a. Credit cards			B538	84	6.a
b. Other revolving credit plans			B539	160	6.b
c. Other consumer loans (Includes single payment, installment, and all student loans)			2011	4,269	6.c
7. Loans to foreign governments and official institutions (including foreign central banks)			2081	0	7
8. Obligations (other than securities and leases) of states and political subdivisions in the U.S.			2107	0	8
9. Other Loans			1563	0	9
a. Loans for purchasing or carrying securities (secured and unsecured)	1545	N/A			9.a
b. All other loans (exclude consumer loans)	1564	N/A			9.b

(1) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Continued

Part I. Continued

Dollar Amounts in Thousands	(Column A) To Be Completed by Banks with \$300 Million or More in Total Assets (1)		(Column B) To Be Completed by All Banks		
	RCON	BH MH THOU	RCON	BH MH THOU	
10. Lease financing receivables (net of unearned income)			2165	0	10
a. Leases to individuals for household, family, and other personal expenditures (i.e., consumer leases)	F162	N/A			10.a
b. All other leases	F163	N/A			10.b
11. LESS: Any unearned income on loans reflected in items 1-9 above			2123	164	11.
12. Total loans and leases, net of unearned income (sum of items 1 through 10 minus item 11) (must equal Schedule RC, sum of items 4.a and 4.b)			2122	102,608	12

Memoranda

Dollar Amounts in Thousands

	RCON	BH MH THOU	
1. Loans and leases restructured and in compliance with modified terms (included in Schedule RC-C, part I, and not reported as past due or nonaccrual in Schedule RC-N, Memorandum item 1):			
a. Loans secured by 1-4 family residential properties	FS76	0	M.1.a
b. Other loans and all leases (exclude loans to individuals for household, family, and other personal expenditures)	1616	0	M.1.b
2. Maturity and repricing data for loans and leases (excluding those in nonaccrual status):			
a. Closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B, above) with a remaining maturity or next repricing date of: (2, 3)			
(1) Three months or less	A564	2,655	M.2.a.1
(2) Over three months through 12 months	A565	5,381	M.2.a.2
(3) Over one year through three years	A566	3,474	M.2.a.3
(4) Over three years through five years	A567	10,503	M.2.a.4
(5) Over five years through 15 years	A568	826	M.2.a.5
(6) Over 15 years	A569	75	M.2.a.6
b. All loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column B, above) EXCLUDING closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B, above) with a remaining maturity or next repricing date of: (2, 4)			
(1) Three months or less	A570	22,502	M.2.b.1
(2) Over three months through 12 months	A571	18,250	M.2.b.2
(3) Over one year through three years	A572	13,512	M.2.b.3
(4) Over three years through five years	A573	16,601	M.2.b.4
(5) Over five years through 15 years	A574	7,222	M.2.b.5
(6) Over 15 years	A575	1,235	M.2.b.6
c. Loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column B, above) with a REMAINING MATURITY of one year or less (excluding those in nonaccrual status)	A247	48,462	M.2.c

- (1) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.
- (2) Report fixed rate loans and leases by remaining maturity and floating rate loans by next repricing date.
- (3) Sum of Memorandum items 2.a.(1) through 2.a.(6) plus total nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, part I, item 1.c.(2)(a), column B.
- (4) Sum of Memorandum items 2.b.(1) through 2.b.(6) plus total nonaccrual loans and leases from Schedule RC-N, sum of items 1 through 8, column C, minus nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total loans and leases from Schedule RC-C, part I, sum of items 1 through 10, column B, minus total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, part I, item 1.c.(2)(a), column B.

Schedule RC-C—Continued

Part I. Continued

Memoranda — Continued	Dollar Amounts in Thousands		RCON	B# Mil Thou	
3. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) Included in Schedule RC-C, part I, items 4 and 9, column B (5)	2746	0			M.3
4. Adjustable rate closed-end loans secured by first liens on 1-4 family residential properties (included in Schedule RC-C, part I, item 1.c.(2)(a), column B)	5370	1,579			M.4
5. To be completed by banks with \$300 million or more in total assets: (6) Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RC-C, part I, items 1.a through 1.e, column B)	8837	N/A			M.5
<i>Memorandum item 6 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.</i>					
6. Outstanding credit card fees and finance charges included in Schedule RC-C, part I, item 6.a.	C391	N/A			M.6
<i>Memorandum item 7 is to be completed by all banks.</i>					
7. Purchased impaired loans held for investment accounted for in accordance with AICPA Statement of Position 03-3 (exclude loans held for sale):					
a. Outstanding balance	C779	0			M.7.a
b. Carrying amount included in Schedule RC-C, part I, items 1 through 9	C780	0			M.7.b
8. Closed-end loans with negative amortization features secured by 1-4 family residential properties:					
a. Total carrying amount of closed-end loans with negative amortization features secured by 1-4 family residential properties (included in Schedule RC-C, part I, items 1.c.(2)(a) and (b))	F230	0			M.8.a
<i>Memorandum items 8.b and 8.c are to be completed by banks that had closed-end loans with negative amortization features secured by 1-4 family residential properties (as reported in Schedule RC-C, part I, Memorandum item 8.a.) as of December 31, 2007, that exceeded the lesser of \$100 million or 5 percent of total loans and leases, net of unearned income (as reported in Schedule RC-C, part I, item 12, column B).</i>					
b. Total maximum remaining amount of negative amortization contractually permitted on closed-end loans secured by 1-4 family residential properties	F231	N/A			M.8.b
c. Total amount of negative amortization on closed-end loans secured by 1-4 family residential properties included in the carrying amount reported in Memorandum item 8.a above	F232	N/A			M.8.c
9. Loans secured by 1-4 family residential properties in process of foreclosure (included in Schedule RC-C, part I, items 1.c.(1), 1.c.(2)(a), and 1.c.(2)(b))	F577	179			M.9
<i>Memorandum items 10 and 11 are to be completed by banks that have elected to measure loans included in Schedule RC-C, part I, items 1 through 9, at fair value under a fair value option.</i>					
10. Loans measured at fair value (included in Schedule RC-C, part I, items 1 through 9):					
a. Loans secured by real estate:					
(1) Construction, land development, and other land loans	F578	N/A			M.10.a.1
(2) Secured by farmland (including farm residential and other improvements)	F579	N/A			M.10.a.2
(3) Secured by 1-4 family residential properties:					
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F580	N/A			M.10.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:					
(1) Secured by first liens	F581	N/A			M.10.a.3.b.1
(2) Secured by junior liens	F582	N/A			M.10.a.3.b.2

(5) Exclude loans secured by real estate that are included in Schedule RC-C, part I, items 1.a through 1.e, column B.

(6) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-C—Continued

Part I. Continued

Memoranda — Continued	Dollar Amounts in Thousands	RCON	B# MH Thou		
10. a. (4) Secured by multifamily (5 or more) residential properties		F583		N/A	M.10.a.4
(5) Secured by nonfarm nonresidential properties		F584		N/A	M.10.a.5
b. Commercial and industrial loans		F585		N/A	M.10.b
10. c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):					
(1) Credit cards		F586		N/A	M.10.c.1
(2) Other revolving credit plans		F587		N/A	M.10.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)		F588		N/A	M.10.c.3
d. Other loans		F589		N/A	M.10.d
11. Unpaid principal balance of loans measured at fair value (reported in Schedule RC-C, part I, Memorandum item 10):					
a. Loans secured by real estate:					
(1) Construction, land development, and other land loans		F590		N/A	M.11.a.1
(2) Secured by farmland (including farm residential and other improvements)		F591		N/A	M.11.a.2
(3) Secured by 1-4 family residential properties:					
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit		F592		N/A	M.11.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:					
(1) Secured by first liens		F593		N/A	M.11.a.3.b.1
(2) Secured by junior liens		F594		N/A	M.11.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties		F595		N/A	M.11.a.4
(5) Secured by nonfarm nonresidential properties		F596		N/A	M.11.a.5
b. Commercial and industrial loans		F597		N/A	M.11.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):					
(1) Credit cards		F598		N/A	M.11.c.1
(2) Other revolving credit plans		F599		N/A	M.11.c.2
(3) Other consumer loans (includes single payment, installment, and all student loans)		F600		N/A	M.11.c.3
d. Other loans		F601		N/A	M.11.d

Schedule RC-D - Trading Assets and Liabilities

Schedule RC-D is to be completed by banks that reported average trading assets (Schedule RC-K, item 7) of \$2 million or more in any of the four preceding calendar quarters.

		Dollar Amounts in Thousands		
		RCON	Bl Mil Thou	
ASSETS				
1.	U.S. Treasury securities	3531	N/A	1
2.	U.S. Government agency obligations (exclude mortgage-backed securities)	3532	N/A	2
3.	Securities issued by states and political subdivisions in the U.S.	3533	N/A	3
4.	Mortgage-backed securities (MBS):			
a.	Pass-through securities issued or guaranteed by FNMA, FHLMC, or GNMA	3534	N/A	4.a
b.	Other mortgage-backed securities issued or guaranteed by FNMA, FHLMC, or GNMA (include CMOs, REMICs, and stripped MBS)	3535	N/A	4.b
c.	All other mortgage-backed securities	3536	N/A	4.c
5.	Other debt securities	3537	N/A	5
6.	Loans:			
a.	Loans secured by real estate:			
(1)	Construction, land development, and other land loans	F604	N/A	6.a.1
(2)	Secured by farmland (including farm residential and other improvements)	F605	N/A	6.a.2
(3)	Secured by 1-4 family residential properties:			
(a)	Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F606	N/A	6.a.3.a
(b)	Closed-end loans secured by 1-4 family residential properties:			
(1)	Secured by first liens	F607	N/A	6.a.3.b.1
(2)	Secured by junior liens	F611	N/A	6.a.3.b.2
(4)	Secured by multifamily (5 or more) residential properties	F612	N/A	6.a.4
(5)	Secured by nonfarm nonresidential properties	F613	N/A	6.a.5
b.	Commercial and industrial loans	F614	N/A	6.b
c.	Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):			
(1)	Credit cards	F615	N/A	6.c.1
(2)	Other revolving credit plans	F616	N/A	6.c.2
(3)	Other consumer loans (includes single payment, installment, and all student loans)	F617	N/A	6.c.3
d.	Other loans	F618	N/A	6.d
7. and 8.	Not applicable			
9.	Other trading assets	3541	N/A	9
10.	Not applicable			
11.	Derivatives with a positive fair value	3543	N/A	11
12.	Total trading assets (sum of items 1 through 11) (must equal Schedule RC, item 5)	3545	N/A	12
LIABILITIES				
13. a.	Liability for short positions	3546	N/A	13.a
b.	Other trading liabilities	F624	N/A	13.b
14.	Derivatives with a negative fair value	3547	N/A	14
15.	Total trading liabilities (sum of items 13.a through 14) (must equal Schedule RC, item 15)	3548	N/A	15

Schedule RC-D - Continued

Memoranda

	Dollar Amounts in Thousands	RCON	Bl Mil Thou	
1. Unpaid principal balance of loans measured at fair value (reported in Schedule RC-D, items 6.a.(1) through 6.d):				
a. Loans secured by real estate:				
(1) Construction, land development, and other land loans	F625		N/A	M.1.a.1
(2) Secured by farmland (including farm residential and other improvements)	F626		N/A	M.1.a.2
(3) Secured by 1-4 family residential properties:				
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F627		N/A	M.1.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:				
(1) Secured by first liens	F628		N/A	M.1.a.3.b.1
(2) Secured by junior liens	F629		N/A	M.1.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F630		N/A	M.1.a.4
(5) Secured by nonfarm nonresidential properties	F631		N/A	M.1.a.5
b. Commercial and industrial loans	F632		N/A	M.1.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (Includes purchased paper):				
(1) Credit cards	F633		N/A	M.1.c.1
(2) Other revolving credit plans	F634		N/A	M.1.c.2
(3) Other consumer loans (Includes single payment, installment, and all student loans)	F635		N/A	M.1.c.3
d. Other loans	F636		N/A	M.1.d
2. Not applicable				
3. Loans measured at fair value that are past due 90 days or more:(1)				
a. Fair value	F639		N/A	M.3.a
b. Unpaid principal balance	F640		N/A	M.3.b
<i>Memorandum items 4 through 10 are to be completed by banks that reported average trading assets (Schedule RC-K, item 7) of \$1 billion or more in any of the four preceding calendar quarters.</i>				
4. Asset-backed securities:				
a. Residential mortgage-backed securities	F641		N/A	M.4.a
b. Commercial mortgage-backed securities	F642		N/A	M.4.b
c. Credit card receivables	F643		N/A	M.4.c
d. Home equity lines	F644		N/A	M.4.d
e. Automobile loans	F645		N/A	M.4.e
f. Other consumer loans	F646		N/A	M.4.f
g. Commercial and industrial loans	F647		N/A	M.4.g
h. Other	F648		N/A	M.4.h
5. Collateralized debt obligations:				
a. Synthetic	F649		N/A	M.5.a
b. Other	F650		N/A	M.5.b
6. Retained beneficial interests in securitizations (first-loss or equity tranches)	F651		N/A	M.6
7. Equity securities:				
a. Readily determinable fair values	F652		N/A	M.7.a
b. Other	F653		N/A	M.7.b
8. Loans pending securitization	F654		N/A	M.8

Schedule RC-D - Continued

Memoranda - Continued

		Dollar Amounts in Thousands	RCON	Bill Mil Thou	
9. Other trading assets (itemize and describe amounts included in Schedule RC-D, Item 9, that are greater than \$25,000 and exceed 25% of the item):					
TEXT					
a.	F655	N/A	F655	N/A	M.9.a
b.	F656	N/A	F656	N/A	M.9.b
c.	F657	N/A	F657	N/A	M.9.c
10. Other trading liabilities (itemize and describe amounts included in Schedule RC-D, Item 13.b, that are greater than \$25,000 and exceed 25% of the item):					
TEXT					
a.	F658	N/A	F658	N/A	M.10.a
b.	F659	N/A	F659	N/A	M.10.b
c.	F660	N/A	F660	N/A	M.10.c

Schedule RC-E--Deposit Liabilities

Dollar Amounts in Thousands	Transaction Accounts						Nontransaction Accounts			
	(Column A) Total transaction accounts (including total demand deposits)			(Column B) Memo: Total demand deposits (included in column A)			(Column C) Total nontransaction accounts (including MMDAs)			
	RCON	BI	M# Thou	RCON	BI	M# Thou	RCON	BI	M# Thou	
Deposits of:										
1. Individuals, partnerships, and corporations (include all certified and official checks)	B549		22,780				B550		87,384	1
2. U.S. Government	2202		359				2520		799	2
3. States and political subdivisions in the U.S.	2203		3,822				2530		1,405	3
4. Commercial banks and other depository institutions in the U.S.	B551		0				B552		610	4
5. Banks in foreign countries	2213		0				2236		0	5
6. Foreign governments and official institutions (including foreign central banks)	2216		0				2377		0	6
7. Total (sum of items 1 through 6) (sum of columns A and C must equal Schedule RC, item 13.a)	2215		26,981	2210		11,647	2385		90,198	7

Memoranda

Dollar Amounts in Thousands	RCON	BI	M# Thou	
1. Selected components of total deposits (i.e., sum of item 7, columns A and C):				
a. Total Individual Retirement Accounts (IRAs) and Keogh Plan accounts	6835		8,101	M.1.a
b. Total brokered deposits	2365		7,563	M.1.b
c. Fully insured brokered deposits (included in Memorandum item 1.b above): (1)				
(1) Brokered deposits issued in denominations of less than \$100,000	2343		5,858	M.1.c.1
(2) Brokered deposits issued in denominations of \$100,000 and certain brokered retirement deposit accounts	2344		0	M.1.c.2
d. Maturity data for brokered deposits:				
(1) Brokered deposits issued in denominations of less than \$100,000 with a remaining maturity of one year or less (included in Memorandum item 1.c.(1) above)	A243		5,779	M.1.d.1
(2) Brokered deposits issued in denominations of \$100,000 or more with a remaining maturity of one year or less (included in Memorandum item 1.b above)	A244		1,705	M.1.d.2
e. Preferred deposits (uninsured deposits of states and political subdivisions in the U.S. reported in item 3 above which are secured or collateralized as required under state law) (to be completed for the December report only)	5590		3,523	M.1.e
2. Components of total nontransaction accounts (sum of Memorandum items 2.a through 2.c must equal item 7, column C above):				
a. Savings deposits:				
(1) Money market deposit accounts (MMDAs)	6810		21,520	M.2.a.1
(2) Other savings deposits (excludes MMDAs)	0352		13,021	M.2.a.2
b. Total time deposits of less than \$100,000	6648		32,369	M.2.b
c. Total time deposits of \$100,000 or more	7604		23,288	M.2.c
(1) Individual Retirement Accounts (IRAs) and Keogh Plan accounts included in Memorandum item 2.c, "Total time deposits of \$100,000 or more," above	F233		0	M.2.c.1

(1) Report brokered retirement deposit accounts eligible for \$250,000 in deposit insurance coverage in Memorandum item 1.c.(1) only if they have been issued in denominations of less than \$100,000 (see instructions). Report brokered retirement deposit accounts in Memorandum item 1.c.(2) if they have been issued either in denominations of exactly \$100,000 through exactly \$250,000 or in denominations greater than \$250,000 and participated out by the broker in shares of exactly \$100,000 through exactly \$250,000 or less.

Schedule RC-E—Continued

Memoranda — Continued

	Dollar Amounts in Thousands		
	RCON	Bl Mil Thou	
3. Maturity and repricing data for time deposits of less than \$100,000:			
a. Time deposits of less than \$100,000 with a remaining maturity or next repricing date of: (1, 2)			
(1) Three months or less	A579	10,209	M.3.a.1
(2) Over three months through 12 months	A580	19,843	M.3.a.2
(3) Over one year through three years	A581	1,885	M.3.a.3
(4) Over three years	A582	432	M.3.a.4
b. Time deposits of less than \$100,000 with a REMAINING MATURITY of one year or less (Included in Memorandum items 3.a.(1) and 3.a.(2) above) (3)	A241	30,007	M.3.b
4. Maturity and repricing data for time deposits of \$100,000 or more:			
a. Time deposits of \$100,000 or more with a remaining maturity or next repricing date of: (1, 4)			
(1) Three months or less	A584	6,002	M.4.a.1
(2) Over three months through 12 months	A585	16,845	M.4.a.2
(3) Over one year through three years	A586	101	M.4.a.3
(4) Over three years	A587	340	M.4.a.4
b. Time deposits of \$100,000 or more with a REMAINING MATURITY of one year or less (Included in Memorandum items 4.a.(1) and 4.a.(2) above) (3)	A242	22,847	M.4.b

- (1) Report fixed rate time deposits by remaining maturity and floating rate time deposits by next repricing date.
- (2) Sum of Memorandum items 3.a.(1) through 3.a.(4) must equal Schedule RC-E, Memorandum item 2.b.
- (3) Report both fixed and floating rate time deposits by remaining maturity. Exclude floating rate time deposits with a next repricing date of one year or less that have a remaining maturity of over one year.
- (4) Sum of Memorandum items 4.a.(1) through 4.a.(4) must equal Schedule RC-E, Memorandum item 2.c.

Schedule RC-F—Other Assets

		Dollar Amounts in Thousands		RCON	Bil Mil Thou	
1.	Accrued interest receivable (1)			B556	587	1
2.	Net deferred tax assets (2)			2148	633	2
3.	Interest-only strips receivable (not in the form of a security) (3) on:					
	a. Mortgage loans			A519	0	3.a
	b. Other financial assets			A520	0	3.b
4.	Equity securities that DO NOT have readily determinable fair values (4)			1752	688	4
5.	Life insurance assets			C009	2,568	5
6.	All other assets (itemize and describe amounts greater than \$25,000 that exceed 25% of this item)			2168	292	6
	TEXT					
	a. Prepaid Expenses	2166	292			6.a
	b. Repossessed personal property (including vehicles)	1578	0			6.b
	c. Derivatives with a positive fair value held for purposes other than trading	C010	0			6.c
	d. Retained interests in accrued interest receivable related to securitized credit cards	C436	0			6.d
e.	3549	3549	0			6.e
f.	3550	3550	0			6.f
g.	3551	3551	0			6.g
7.	Total (sum of items 1 through 6) (must equal Schedule RC, item 11)			2160	4,768	7

Schedule RC-G—Other Liabilities

		Dollar Amounts in Thousands		RCON	Bil Mil Thou	
1. a.	Interest accrued and unpaid on deposits (5)			3645	616	1.a
	b. Other expenses accrued and unpaid (includes accrued income taxes payable)			3646	39	1.b
2.	Net deferred tax liabilities (2)			3049	0	2
3.	Allowance for credit losses on off-balance sheet credit exposures			B557	0	3
4.	All other liabilities (itemize and describe amounts greater than \$25,000 that exceed 25% of this item)			2938	411	4
	TEXT					
	a. Accounts Payable	3066	15			4.a
	b. Deferred compensation liabilities	C011	150			4.b
	c. Dividends declared but not yet payable	2932	246			4.c
	d. Derivatives with a negative fair value held for purposes other than trading	C012	0			4.d
e.	3552	3552	0			4.e
f.	3553	3553	0			4.f
g.	3554	3554	0			4.g
5.	Total (sum of items 1 through 4) (must equal Schedule RC, item 20)			2930	1,066	5

- (1) Includes accrued interest receivable on loans, leases, debt securities, and other interest-bearing assets.
- (2) See discussion of deferred income taxes in Glossary entry on "Income taxes."
- (3) Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule RC, item 2.b, or as trading assets in Schedule RC, item 5, as appropriate.
- (4) Includes Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.
- (5) For savings banks, include "dividends" accrued and unpaid on deposits.

Schedule RC-K—Quarterly Averages (1)

	Dollar Amounts in Thousands		
	RC0N	Bll Mil Thou	
ASSETS			
1. Interest-bearing balances due from depository institutions	3381	4,760	1
2. U.S. Treasury securities and U.S. Government agency obligations (2) (excluding mortgage-backed securities)	8558	2,872	2
3. Mortgage-backed securities (2)	8559	8,559	3
4. All other securities (2, 3) (includes securities issued by states and political subdivisions in the U.S.)	8560	5,983	4
5. Federal funds sold and securities purchased under agreements to resell	3365	4,483	5
6. Loans:			
a. Total loans	3360	99,741	6.a
b. Loans secured by real estate:			
(1) Loans secured by 1-4 family residential properties	3465	35,100	6.b.1
(2) All other loans secured by real estate	3466	43,816	6.b.2
c. Commercial and industrial loans	3387	16,335	6.c
d. Loans to individuals for household, family, and other personal expenditures:			
(1) Credit cards	8561	80	6.d.1
(2) Other (includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8562	4,489	6.d.2
7. To be completed by banks with \$100 million or more in total assets: (4) Trading assets	3401	0	7
8. Lease financing receivables (net of unearned income)	3484	0	8
9. Total assets (5)	3368	138,854	9
LIABILITIES			
10. Interest-bearing transaction accounts (NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts) (exclude demand deposits)	3485	16,382	10
11. Nontransaction accounts:			
a. Savings deposits (includes MMDAs)	8563	32,954	11.a
b. Time deposits of \$100,000 or more	AS14	19,289	11.b
c. Time deposits of less than \$100,000	AS29	36,471	11.c
12. Federal funds purchased and securities sold under agreements to repurchase	3353	0	12
13. To be completed by banks with \$100 million or more in total assets: (4) Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)	3355	8,000	13

Memorandum

	Dollar Amounts in Thousands		
	RC0N	Bll Mil Thou	
1. Memorandum item 1 is to be completed by: (4) • banks with \$300 million or more in total assets, and • banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part 1, item 3) exceeding five percent of total loans. Loans to finance agricultural production and other loans to farmers	3386	N/A	M.1

- (1) For all items, banks have the option of reporting either (1) an average of DAILY figures for the quarter, or (2) an average of WEEKLY figures (i.e., the Wednesday of each week of the quarter).
- (2) Quarterly averages for all debt securities should be based on amortized cost.
- (3) Quarterly averages for all equity securities should be based on historical cost.
- (4) The asset size tests and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.
- (5) The quarterly average for total assets should reflect all debt securities (not held for trading) at amortized cost, equity securities with readily determinable fair values at the lower of cost or fair value, and equity securities without readily determinable fair values at historical cost.

Schedule RC-L—Derivatives and Off-Balance Sheet Items

Please read carefully the instructions for the preparation of Schedule RC-L. Some of the amounts reported in Schedule RC-L are regarded as volume indicators and not necessarily as measures of risk.

		Dollar Amounts in Thousands		RCON	Bl Mil Thou	
1.	Unused commitments:					
a.	Revolving, open-end lines secured by 1-4 family residential properties, e.g., home equity lines			3814	8,774	1.a
b.	Credit card lines			3815	423	1.b
c.	(1) Commitments to fund commercial real estate, construction, and land development loans secured by real estate:					
	(a) 1-4 family residential construction loan commitments			F164	4,448	1.c.i.a
	(b) Commercial real estate, other construction loan, and land development loan commitments			F165	3,147	1.c.1.b
	(2) Commitments to fund commercial real estate, construction, and land development loans NOT secured by real estate			6550	0	1.c.2
d.	Securities underwriting			3817	0	1.d
e.	Other unused commitments			3818	1,551	1.e
2.	Financial standby letters of credit			3819	425	2
a.	Amount of financial standby letters of credit conveyed to others	3820	0			2.a
3.	Performance standby letters of credit			3821	0	3
a.	Amount of performance standby letters of credit conveyed to others	3822	0			3.a
4.	Commercial and similar letters of credit			3411	0	4
5.	Not applicable					
6.	Securities lent (including customers' securities lent where the customer is indemnified against loss by the reporting bank)			3433	0	6
7.	Credit derivatives:					
a.	Notional amounts:					
	(1) Credit default swaps			C968	0	7.a.(1)
	(2) Total return swaps			C970	0	7.a.(2)
	(3) Credit options			C972	0	7.a.(3)
	(4) Other credit derivatives			C974	0	7.a.(4)
b.	Gross fair values:					
	(1) Gross positive fair value			C219	0	7.b.(1)
	(2) Gross negative fair value			C220	0	7.b.(2)
8.	Spot foreign exchange contracts			8765	0	8
9.	All other off-balance sheet liabilities (exclude derivatives) (itemize and describe each component of this item over 25% of Schedule RC, item 2B, "Total equity capital")			3430	0	9
	TEXT					
a.	Securities borrowed			3432	0	9.a
b.	Commitments to purchase when-issued securities			3434	0	9.b
c.	Standby letters of credit issued by a Federal Home Loan Bank on the bank's behalf			C978	0	9.c
d.	3555			3555	0	9.d
e.	3556			3556	0	9.e
f.	3557			3557	0	9.f
10.	All other off-balance sheet assets (exclude derivatives) (itemize and describe each component of this item over 25% of Schedule RC, item 2B, "Total equity capital")			5591	0	10
	TEXT					
a.	Commitments to sell when-issued securities			3435	0	10.a
b.	5592			5592	0	10.b
c.	5593			5593	0	10.c
d.	5594			5594	0	10.d
e.	5595			5595	0	10.e

Schedule RC-L—Continued

		Dollar Amounts in Thousands				RCON	Trl	Bl	Mil	Thou				
11. Year-to-date merchant credit card sales volume:														
a. Sales for which the reporting bank is the acquiring bank						C223					0	11.a		
b. Sales for which the reporting bank is the agent bank with risk						C224					0	11.b		
Dollar Amounts in Thousands		(Column A)	(Column B)	(Column C)	(Column D)									
Derivatives Position Indicators		Interest Rate Contracts	Foreign Exchange Contracts	Equity Derivative Contracts	Commodity and Other Contracts									
12. Gross amounts (e.g., notional amounts)														
(for each column, sum of items 12.a through 12.e must equal sum of items 13 and 14):														
		Trl	Bl	Mil	Thou	Trl	Bl	Mil	Thou	Trl	Bl	Mil	Thou	
		RCON 8693	RCON 8694	RCON 8695	RCON 8696									
a. Futures contracts		0	0	0	0								12.a	
		RCON 8697	RCON 8698	RCON 8699	RCON 8700									
b. Forward contracts		0	0	0	0								12.b	
c. Exchange-traded option contracts:		RCON 8701	RCON 8702	RCON 8703	RCON 8704									
(1) Written options		0	0	0	0								12.c.1	
		RCON 8705	RCON 8706	RCON 8707	RCON 8708									
(2) Purchased options		0	0	0	0								12.c.2	
d. Over-the-counter option contracts:		RCON 8709	RCON 8710	RCON 8711	RCON 8712									
(1) Written options		0	0	0	0								12.d.1	
		RCON 8713	RCON 8714	RCON 8715	RCON 8716									
(2) Purchased options		0	0	0	0								12.d.2	
e. Swaps		RCON 3450	RCON 3826	RCON 8719	RCON 8720								12.e	
13. Total gross notional amount of derivative contracts held for trading		RCON A126	RCON A127	RCON 8723	RCON 8724								13	
14. Total gross notional amount of derivative contracts held for purposes other than trading		RCON 8725	RCON 8726	RCON 8727	RCON 8728								14	
a. Interest rate swaps where the bank has agreed to pay a fixed rate		RCON A589											14.a	
15. Gross fair values of derivative contracts:														
a. Contracts held for trading:		RCON 8733	RCON 8734	RCON 8735	RCON 8736									
(1) Gross positive fair value		0	0	0	0								15.a.1	
		RCON 8737	RCON 8738	RCON 8739	RCON 8740									
(2) Gross negative fair value		0	0	0	0								15.a.2	
b. Contracts held for purposes other than trading:		RCON 8741	RCON 8742	RCON 8743	RCON 8744									
(1) Gross positive fair value		0	0	0	0								15.b.1	
		RCON 8745	RCON 8746	RCON 8747	RCON 8748									
(2) Gross negative fair value		0	0	0	0								15.b.2	

Legal Title of Bank

FDIC Certificate Number: 27055

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Schedule RC-M—Memoranda

		Dollar Amounts in Thousands		RCON	Bill Mil Thou	
1. Extensions of credit by the reporting bank to its executive officers, directors, principal shareholders, and their related interests as of the report date:						
a. Aggregate amount of all extensions of credit to all executive officers, directors, principal shareholders, and their related interests				6164	2,309	1.a
b. Number of executive officers, directors, and principal shareholders to whom the amount of all extensions of credit by the reporting bank (including extensions of credit to related interests) equals or exceeds the lesser of \$500,000 or 5 percent of total capital as defined for this purpose in agency regulations		RCON	Number	6165	2	1.b
2. Intangible assets other than goodwill:						
a. Mortgage servicing assets				3164	0	2.a
(1) Estimated fair value of mortgage servicing assets		A590			0	2.a.1
b. Purchased credit card relationships and nonmortgage servicing assets				8026	0	2.b
c. All other identifiable intangible assets				5507	0	2.c
d. Total (sum of items 2.a, 2.b, and 2.c) (must equal Schedule RC, item 10.b)				0426	0	2.d
3. Other real estate owned:						
a. Direct and indirect investments in real estate ventures				5372	0	3.a
b. All other real estate owned:						
(1) Construction, land development, and other land				5508	0	3.b.1
(2) Farmland				5509	0	3.b.2
(3) 1-4 family residential properties				5510	1,327	3.b.3
(4) Multifamily (5 or more) residential properties				5511	0	3.b.4
(5) Nonfarm nonresidential properties				5512	0	3.b.5
(6) Foreclosed properties from "GNMA loans"				C979	0	3.b.6
c. Total (sum of items 3.a and 3.b) (must equal Schedule RC, item 7)				2150	1,327	3.c
4. Investments in unconsolidated subsidiaries and associated companies:						
a. Direct and indirect investments in real estate ventures				5374	0	4.a
b. All other investments in unconsolidated subsidiaries and associated companies				5375	0	4.b
c. Total (sum of items 4.a and 4.b) (must equal Schedule RC, item 8)				2130	0	4.c
5. Other borrowed money:						
a. Federal Home Loan Bank advances:						
(1) Advances with a remaining maturity or next repricing date of: (1)						
(a) One year or less				F055	0	5.a.1.a
(b) Over one year through three years				F056	8,000	5.a.1.b
(c) Over three years through five years				F057	0	5.a.1.c
(d) Over five years				F058	0	5.a.1.d
(2) Advances with a REMAINING MATURITY of one year or less (included in item 5.a.(1)(a) above) (2)				2651	0	5.a.2
(3) Structured advances (included in items 5.a.(1)(a) - (d) above)				F059	0	5.a.3
b. Other borrowings:						
(1) Other borrowings with a remaining maturity or next repricing date of: (3)						
(a) One year or less				F060	0	5.b.1.a
(b) Over one year through three years				F061	0	5.b.1.b
(c) Over three years through five years				F062	0	5.b.1.c
(d) Over five years				F063	0	5.b.1.d
(2) Other borrowings with a REMAINING MATURITY of one year or less (included in item 5.b.(1)(a) above) (4)				B571	0	5.b.2
c. Total (sum of items 5.a.(1)(a)-(d) and items 5.b.(1)(a)-(d)) (must equal Schedule RC, item 16)				3190	8,000	5.c

- (1) Report fixed rate advances by remaining maturity and floating rate advances by next repricing date.
- (2) Report both fixed and floating rate advances by remaining maturity. Exclude floating rate advances with a next repricing date of one year or less that have a remaining maturity of over one year.
- (3) Report fixed rate other borrowings by remaining maturity and floating rate other borrowings by next repricing date.
- (4) Report both fixed and floating rate other borrowings by remaining maturity. Exclude floating rate other borrowings with a next repricing date of one year or less that have a remaining maturity of over one year.

Schedule RC-M—Continued

	Dollar Amounts in Thousands	RCON	YES / NO	
6. Does the reporting bank sell private label or third party mutual funds and annuities?		B569	NO	6
7. Assets under the reporting bank's management in proprietary mutual funds and annuities		B570	0	7
8. Primary Internet Web site address of the bank (home page), if any (Example: www.examplebank.com) (TEXT 4087) http://clovercommunitybank.com				8
9. Do any of the bank's Internet Web sites have transactional capability, i.e., allow the bank's customers to execute transactions on their accounts through the Web site?		4088	YES	9
10. Secured liabilities:		RCON	B# MH Thou	
a. Amount of "Federal funds purchased" that are secured (included in Schedule RC, item 14.a)		F064	0	10.a
b. Amount of "Other borrowings" that are secured (included in Schedule RC-M, items 5.b.(1)(a)-(d))		F065	0	10.b

Legal Title of Bank

FDIC Certificate Number: 27055
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Schedule RC-N—Past Due and Nonaccrual Loans, Leases, and Other Assets

	(Column A) Past due 30 through 89 days and still accruing				(Column B) Past due 90 days or more and still accruing				(Column C) Nonaccrual			
	Dollar Amounts in Thousands											
	RCON	Bil Mil Thou	RCON	Bil Mil Thou	RCON	Bil Mil Thou	RCON	Bil Mil Thou				
1. Loans secured by real estate:												
a. Construction, land development, and other land loans:												
(1) 1-4 family residential construction loans	F172	1,126	F174	0	F176	161		1.a.1				
(2) Other construction loans and all land development and other land loans	F173	568	F175	0	F177	192		1.a.2				
b. Secured by farmland	3493	0	3494	0	3495	0		1.b				
c. Secured by 1-4 family residential properties:												
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5398	30	5399	0	5400	179		1.c.1				
(2) Closed-end loans secured by 1-4 family residential properties:												
(a) Secured by first liens	C236	0	C237	0	C229	0		1.c.2.a				
(b) Secured by junior liens	C238	0	C239	0	C230	0		1.c.2.b				
d. Secured by multifamily (5 or more) residential properties	3499	0	3500	0	3501	0		1.d				
e. Secured by nonfarm nonresidential properties:												
(1) Loans secured by owner-occupied nonfarm nonresidential properties	F178	21	F180	0	F182	0		1.e.1				
(2) Loans secured by other nonfarm nonresidential properties	F179	0	F181	0	F183	0		1.e.2				
2. Loans to depository institutions and acceptances of other banks	8834	0	8835	0	8836	0		2				
3. Not applicable												
4. Commercial and industrial loans	1606	124	1607	0	1608	0		4				
5. Loans to individuals for household, family, and other personal expenditures:												
a. Credit cards	8575	0	8576	0	8577	0		5.a				
b. Other (Includes single payment, installment, all student loans, and revolving credit plans other than credit cards)	8578	92	8579	0	8580	4		5.b				
6. Loans to foreign governments and official institutions	5389	0	5390	0	5391	0		6				
7. All other loans (1)	5459	0	5460	0	5461	0		7				
8. Lease financing receivables	1226	0	1227	0	1228	0		8				
9. Debt securities and other assets (exclude other real estate owned and other repossessed assets)	3505	0	3506	0	3507	0		9				

(1) Includes past due and nonaccrual "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Other loans."

Schedule RC-N—Continued

Amounts reported in Schedule RC-N, items 1 through 8, above include guaranteed and unguaranteed portions of past due and nonaccrual loans and leases. Report in item 10 below certain guaranteed loans and leases that have already been included in the amounts reported in items 1 through 8.

	(Column A) Past due 30 through 89 days and still accruing				(Column B) Past due 90 days or more and still accruing				(Column C) Nonaccrual			
	RCON	B#	Mill	Thou	RCON	B#	Mill	Thou	RCON	B#	Mill	Thou
Dollar Amounts in Thousands												
10. Loans and leases reported in items 1 through 8 above which are wholly or partially guaranteed by the U.S. Government	5612		0	5613		0	5614		0			10
a. Guaranteed portion of loans and leases included in item 10 above (exclude rebooked "GNMA loans")	5615		0	5616		0	5617		0			10.a
b. Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase included in item 10 above	CB66		0	CB67		0	CB68		0			10.b

Schedule RC-N—Continued

Memoranda	(Column A) Past due 30 through 89 days and still accruing			(Column B) Past due 90 days or more and still accruing			(Column C) Nonaccrual			
	RCON	Bl Ml Thou	Thou	RCON	Bl Ml Thou	Thou	RCON	Bl Ml Thou	Thou	
Dollar Amounts in Thousands										
1. Restructured loans and leases included in Schedule RC-N, items 1 through 8, above (and not reported in Schedule RC-C, Part I, Memorandum item 1):										
a. Loans secured by 1-4 family residential properties	F661		0	F662		0	F663		0	M.1.a
b. Other loans and all leases (exclude loans to individuals for household, family, and other personal expenditures)	1658		0	1659		0	1661		0	M.1.b
2. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RC-N, items 4 and 7, above	6558		0	6559		0	6560		0	M.2
3. Memorandum items 3.a through 3.d are to be completed by banks with \$300 million or more in total assets: (1)										
a. Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RC-N, item 1, above)	1248		N/A	1249		N/A	1250		N/A	M.3.a
b. Loans to and acceptances of foreign banks (included in Schedule RC-N, item 2, above)	5380		N/A	5381		N/A	5382		N/A	M.3.b
c. Commercial and industrial loans to non-U.S. addressees (domicile) (included in Schedule RC-N, item 4, above)	1254		N/A	1255		N/A	1256		N/A	M.3.c
d. Leases to individuals for household, family, and other personal expenditures (included in Schedule RC-N, item 8, above)	F166		N/A	F167		N/A	F168		N/A	M.3.d
Memorandum item 4 is to be completed by: (1)										
• banks with \$300 million or more in total assets										
• banks with less than \$300 million or more in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans:										
4. Loans to finance agricultural production and other loans to farmers (included in Schedule RC-N, item 7, above)	1594		N/A	1597		N/A	1583		N/A	M.4
5. Loans and leases held for sale and loans measured at fair value (included Schedule RC-N, items 1 through 8, above):										
a. Loans and leases held for sale	C240		0	C241		0	C226		0	M.5.a
b. Loans measured at fair value:										
(1) Fair value	F664		0	F665		0	F666		0	M.5.b.1
(2) Unpaid principal balance	F667		0	F668		0	F669		0	M.5.b.2

(1) The \$300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2007, Report of Condition.

Clover Community Bank

Legal Title of Bank

FDIC Certificate Number: 27055

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Schedule RC-N—Continued

Memoranda—Continued

Dollar Amounts in Thousands	(Column A) Past due 30 through 89 days			(Column B) Past due 90 days or more			
	RCON	Bil Mil Thou		RCON	Bil Mil Thou		
<i>Memorandum item 6 is to be completed by banks with \$300 million or more in total assets: (1)</i>							
6. Interest rate, foreign exchange rate, and other commodity and equity contracts:							
Fair value of amounts carried as assets	3529		N/A	3530		N/A	M.6
7. Additions to nonaccrual assets during the quarter							M.7
8. Nonaccrual assets sold during the quarter							M.8

(1) The \$300 million asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

Schedule RC-O—Other Data for Deposit Insurance and FICO Assessments

All banks must complete items 1 and 2, Memorandum item 1, and, if applicable, Memorandum items 2 and 3 each quarter. Each bank that reported \$1 billion or more in total assets in its March 31, 2007, Report of Condition must complete items 4 and 5 each quarter. In addition, each bank that reported \$1 billion or more in total assets in two consecutive Reports of Condition beginning with its June 30, 2007, report must begin to complete items 4 and 5 each quarter starting six months after the second consecutive quarter in which it reports total assets of \$1 billion or more. Each bank that becomes insured by the FDIC on or after April 1, 2007, must complete items 4 and 5 each quarter. Any other bank may choose to complete items 4 and 5, but the bank must then continue to complete items 4 and 5 each quarter thereafter.

Dollar Amounts in Thousands	RCON	Bil Mil Thou	
1. Total deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations	F236	117,775	1
2. Total allowable exclusions, including interest accrued and unpaid on allowable exclusions	F237	0	2
3. Not applicable			
4. Total daily average of deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations	F238	N/A	4
5. Total daily average of allowable exclusions, including interest accrued and unpaid on allowable exclusions	F239	N/A	5

Schedule RC-O—Continued

Memorandum

		Dollar Amounts in Thousands		RCON	Bl Mil Thou	
1. Total assessable deposits of the bank, including related interest accrued and unpaid (sum of Memorandum items 1.a.(1), 1.b.(1), 1.c.(1), and 1.d.(1) must equal Schedule RC-O, item 1 less item 2):						
a. Deposit accounts (excluding retirement accounts) of \$100,000 or less: (1)						
(1) Amount of deposit accounts (excluding retirement accounts) of \$100,000 or less				F049	64,531	M.1.a.1
(2) Number of deposit accounts (excluding retirement accounts) of \$100,000 or less (to be completed for the June report only)						
		RCON	Number			
		F050	N/A			M.1.a.2
b. Deposit accounts (excluding retirement accounts) of more than \$100,000: (1)						
(1) Amount of deposit accounts (excluding retirement accounts) of more than \$100,000				F051	45,124	M.1.b.1
(2) Number of deposit accounts (excluding retirement accounts) of more than \$100,000						
		RCON	Number			
		F052	245			M.1.b.2
c. Retirement deposit accounts of \$250,000 or less: (1)						
(1) Amount of retirement deposit accounts of \$250,000 or less				F045	8,120	M.1.c.1
(2) Number of retirement deposit accounts of \$250,000 or less (to be completed for the June report only)						
		RCON	Number			
		F046	N/A			M.1.c.2
d. Retirement deposit accounts of more than \$250,000: (1)						
(1) Amount of retirement deposit accounts of more than \$250,000				F047	0	M.1.d.1
(2) Number of retirement deposit accounts of more than \$250,000						
		RCON	Number			
		F048	0			M.1.d.2
Memorandum item 2 is to be completed by banks with \$1 billion or more in total assets. (2)						
2. Estimated amount of uninsured assessable deposits, including related interest accrued and unpaid (see instructions) (3)						
				5597	N/A	M.2
3. Has the reporting institution been consolidated with a parent bank or savings association in that parent bank's or parent saving association's Call Report or Thrift Financial Report? If so, report the legal title and FDIC Certificate Number of the parent bank or parent savings association:						
TEXT				RCON	FDIC Cert No.	
A545				A545	0	M.3
Memorandum items 4.a and 4.b are to be completed by all banks participating in the FDIC Transaction Account Guarantee Program.						
4. Noninterest-bearing transaction accounts (as defined in Part 370 of the FDIC's regulations) of more than \$250,000 (see instructions):						
a. Amount of noninterest-bearing transaction accounts of more than \$250,000 (including balances swept from noninterest-bearing transaction accounts to noninterest-bearing savings accounts).						
				G167	3,479	M.4.a
b. Number of noninterest-bearing transaction accounts of more than \$250,000						
		RCON	Number			
		G168	7			M.4.b

- (1) The dollar amounts used as the basis for reporting in Memorandum items 1.a through 1.d reflect the deposit insurance limits in effect on the report date without taking into account the temporary increase in deposit insurance in effect through December 31, 2009.
- (2) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.
- (3) Uninsured assessable deposits should be estimated based on the deposit insurance limits set forth in Memorandum items 1.a through 1.d without taking into account the temporary increase in deposit insurance in effect through December 31, 2009, or a bank's participation in the FDIC's Transaction Account Guarantee Program.

Schedule RC-P--1-4 Family Residential Mortgage Banking Activities

Schedule RC-P is to be completed by (1) all banks with \$1 billion or more in total assets¹ and (2) banks with less than \$1 billion in total assets at which either 1-4 family residential mortgage loan originations and purchases for resale² from all sources, loan sales, or quarter-end loans held for sale exceed \$10 million for two consecutive quarters.

	Dollar Amounts in Thousands		
	RCON	Bil Mil Thou	
1. Retail originations during the quarter of closed-end 1-4 family residential mortgage loans for sale:(2)			
a. Closed-end first liens	F066	N/A	1.a
b. Closed-end junior liens	F067	N/A	1.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F670	N/A	1.c.1
(2) Principal amount funded under the lines of credit	F671	N/A	1.c.2
2. Wholesale originations and purchases during the quarter of 1-4 family residential mortgage loans for sale:(2)			
a. Closed-end first liens	F068	N/A	2.a
b. Closed-end junior liens	F069	N/A	2.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F672	N/A	2.c.1
(2) Principal amount funded under the lines of credit	F673	N/A	2.c.2
3. 1-4 family residential mortgage loans sold during the quarter:			
a. Closed-end first liens	F070	N/A	3.a
b. Closed-end junior liens	F071	N/A	3.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F674	N/A	3.c.1
(2) Principal amount funded under the lines of credit	F675	N/A	3.c.2
4. 1-4 family residential mortgage loans held for sale at quarter-end (included in Schedule RC, item 4.a):			
a. Closed-end first liens	F072	N/A	4.a
b. Closed-end junior liens	F073	N/A	4.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F676	N/A	4.c.1
(2) Principal amount funded under the lines of credit	F677	N/A	4.c.2
5. Noninterest income for the quarter from the sale, securitization, and servicing of 1-4 family residential mortgage loans (included in Schedule RI, items 5.f, 5.g, and 5.i):	RIAD		
a. Closed-end 1-4 family residential mortgage loans	F184	N/A	5.a
b. Open-end 1-4 family residential mortgage loans extended under lines of credit	F560	N/A	5.b
6. Repurchases and indemnifications of 1-4 family residential mortgage loans during the quarter:	RCON		
a. Closed-end first liens	F678	N/A	6.a
b. Closed-end junior liens	F679	N/A	6.b
c. Open-end loans extended under line of credit:			
(1) Total commitment under the lines of credit	F680	N/A	6.c.1
(2) Principal amount funded under the lines of credit	F681	N/A	6.c.2

(1) The \$1 billion asset size test is generally based on the total assets reported on the June 30, 2007, Report of Condition.

(2) Exclude originations and purchases of 1-4 family residential mortgage loans that are held for investment.

Schedule RC-R—Regulatory Capital

		Dollar Amounts in Thousands		RCON	Bl Mil Thou	
Tier 1 capital						
1.	Total equity capital (from Schedule RC, item 2B)	3210	10,090			1
2.	LESS: Net unrealized gains (losses) on available-for-sale securities (1) (if a gain, report as a positive value; if a loss, report as a negative value)	8434	111			2
3.	LESS: Net unrealized loss on available-for-sale EQUITY securities (1) (report loss as a positive value)	A221	0			3
4.	LESS: Accumulated net gains (losses) on cash flow hedges (1) (if a gain, report as a positive value; if a loss, report as a negative value)	4336	0			4
5.	LESS: Nonqualifying perpetual preferred stock	B588	0			5
6.	Qualifying minority interests in consolidated subsidiaries	B589	0			6
7.a.	LESS: Disallowed goodwill and other disallowed intangible assets	B590	0			7.a
b.	LESS: Cumulative change in fair value of all financial liabilities accounted for under a fair value option that is included in retained earnings and is attributable to changes in the bank's own creditworthiness (if a net gain, report as a positive value; if a net loss, report as a negative value)	F264	0			7.b
8.	Subtotal (sum of items 1 and 6, less items 2, 3, 4, 5, 7.a, and 7.b)	C227	9,979			8
9.a.	LESS: Disallowed servicing assets and purchased credit card relationships	B591	0			9.a
b.	LESS: Disallowed deferred tax assets	5610	0			9.b
10.	Other additions to (deductions from) Tier 1 capital	B592	0			10
11.	Tier 1 capital (sum of items 8 and 10, less items 9.a and 9.b)	8274	9,979			11
Tier 2 capital						
12.	Qualifying subordinated debt and redeemable preferred stock	5306	0			12
13.	Cumulative perpetual preferred stock includible in Tier 2 capital	B593	0			13
14.	Allowance for loan and lease losses includible in Tier 2 capital	5310	1,374			14
15.	Unrealized gains on available-for-sale equity securities includible in Tier 2 capital	2221	0			15
16.	Other Tier 2 capital components	B594	0			16
17.	Tier 2 capital (sum of items 12 through 16)	5311	1,374			17
18.	Allowable Tier 2 capital (lesser of item 11 or 17)	8275	1,374			18
19.	Tier 3 capital allocated for market risk	1395	0			19
20.	LESS: Deductions for total risk-based capital	B595	0			20
21.	Total risk-based capital (sum of items 11, 18, and 19, less item 20)	3792	11,353			21
Total assets for leverage ratio						
22.	Average total assets (from Schedule RC-K, item 9)	3368	136,854			22
23.	LESS: Disallowed goodwill and other disallowed intangible assets (from item 7.a above)	B590	0			23
24.	LESS: Disallowed servicing assets and purchased credit card relationships (from item 9.a above)	B591	0			24
25.	LESS: Disallowed deferred tax assets (from item 9.b above)	5610	0			25
26.	LESS: Other deductions from assets for leverage capital purposes	B596	0			26
27.	Average total assets for leverage capital purposes (item 22 less items 23 through 26)	A224	136,854			27
Adjustments for financial subsidiaries						
28.a.	Adjustment to Tier 1 capital reported in item 11	C228	0			28.a
b.	Adjustment to total risk-based capital reported in item 21	B503	0			28.b
29.	Adjustment to risk-weighted assets reported in item 62	B504	0			29
30.	Adjustment to average total assets reported in item 27	B505	0			30
Capital ratios						
(Column B is to be completed by all banks. Column A is to be completed by banks with financial subsidiaries.)						
		(Column A)		(Column B)		
		RCON	Percentage	RCON	Percentage	
31.	Tier 1 leverage ratio (2)	7273	0.00%	7204	7.29%	31
32.	Tier 1 risk-based capital ratio (3)	7274	0.00%	7206	9.14%	32
33.	Total risk-based capital ratio (4)	7275	0.00%	7205	10.40%	33

(1) Report amount included in Schedule RC, item 26.b, "Accumulated other comprehensive income."

(2) The ratio for column B is item 11 divided by item 27. The ratio for column A is item 11 minus item 28.a divided by (item 27 minus item 30).

(3) The ratio for column B is item 11 divided by item 62. The ratio for column A is item 11 minus item 28.a divided by (item 62 minus item 29).

(4) The ratio for column B is item 21 divided by item 62. The ratio for column A is item 21 minus item 28.b divided by (item 62 minus item 29).

Schedule RC-R—Continued

Banks are not required to risk-weight each on-balance sheet asset and the credit equivalent amount of each off-balance sheet item that qualifies for a risk weight of less than 100 percent (50 percent for derivatives) at its lower risk weight. When completing items 34 through 54 of Schedule RC-R, each bank should decide for itself how detailed a risk-weight analysis it wishes to perform. In other words, a bank can choose from among its assets and off-balance sheet items that have a risk weight of less than 100 percent which ones to risk-weight at an appropriate lower risk weight, or it can simply risk-weight some or all of these items at a 100 percent risk weight (50 percent for derivatives).

	(Column A)	(Column B)	(Column C)	(Column D)	(Column E)	(Column F)	
	Totals	Items Not	Allocation by Risk Weight Category				
	(from	Subject to	0%	20%	50%	100%	
	<i>Schedule RC</i>)	Risk-Weighting					
Dollar Amounts in Thousands	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	
Balance Sheet Asset Categories							
34. Cash and balances due from depository institutions (Column A equals the sum of Schedule RC items 1.a and 1.b)	RCON 0010 8,788	RCON CB69 0	RCON B600 1,019	RCON B601 7,749		RCON B602 0	34
35. Held-to-maturity securities	RCON 1754 0	RCON B603 0	RCON B604 0	RCON B605 0	RCON B606 0	RCON B607 0	35
36. Available-for-sale securities	RCON 1773 17,576	RCON B608 179	RCON B609 0	RCON B610 15,510	RCON B611 1,887	RCON B612 0	36
37. Federal funds sold and securities purchased under agreements to resell	RCON C225 1,117		RCON C063 0	RCON C064 1,117		RCON B520 0	37
38. Loans and leases held for sale	RCON 5369 0	RCON B617 0	RCON B618 0	RCON B619 0	RCON B620 0	RCON B621 0	38
39. Loans and leases, net of unearned income	RCON B528 102,807	RCON B622 0	RCON B623 0	RCON B624 0	RCON B625 22,913	RCON B626 79,695	39
40. LESS: Allowance for loan and lease losses	RCON 3123 2,072	RCON 3123 2,072					40
41. Trading assets	RCON 3545 0	RCON B627 0	RCON B628 0	RCON B629 0	RCON B630 0	RCON B631 0	41
42. All other assets (1)	RCON B639 8,319	RCON B640 0	RCON B641 0	RCON B642 696	RCON B643 28	RCON 5339 7,595	42
43. Total assets (sum of items 34 through 42)	RCON 2170 136,316	RCON B644 (1,893)	RCON 5320 1,019	RCON 5327 25,072	RCON 5334 24,828	RCON 5340 87,290	43

(1) Includes premises and fixed assets, other real estate owned, investments in unconsolidated subsidiaries and associated companies, intangible assets, and other assets.

Schedule RC-R—Continued

	(Column A)	Credit Conversion Factor	(Column B) Credit Equivalent Amount (1)	Allocation by Risk Weight Category				
	Face Value or Notional Amount			(Column C)	(Column D)	(Column E)	(Column F)	
	Bil Mil Thou			0%	20%	50%	100%	
Dollar Amounts in Thousands								
Derivatives and Off-Balance Sheet Items	RCON B546	See footnote 2	RCON B547	RCON B548	RCON B581	RCON B582	RCON B583	
14. Financial standby letters of credit	425	1.00	425	0	0	0	425	44
15. Performance standby letters of credit	RCON 3821		RCON B650	RCON B651	RCON B652	RCON B653	RCON B654	
	0	.50	0	0	0	0	0	45
16. Commercial and similar letters of credit	RCON 3411		RCON B655	RCON B656	RCON B657	RCON B658	RCON B659	
	0	.20	0	0	0	0	0	46
17. Risk participations in bankers acceptances acquired by the reporting institution	RCON 3429		RCON B660	RCON B661	RCON B662		RCON B663	
	0	1.00	0	0	0		0	47
18. Securities lent	RCON 3433		RCON B664	RCON B665	RCON B666	RCON B667	RCON B668	
	0	1.00	0	0	0	0	0	48
19. Retained recourse on small business obligations sold with recourse	RCON A250		RCON B669	RCON B670	RCON B671	RCON B672	RCON B673	
	0	1.00	0	0	0	0	0	49
20. Recourse and direct credit substitutes (other than financial standby letters of credit) subject to the low-level exposure rule and residual interests subject to a dollar-for-dollar capital requirement	RCON B541	See footnote 3	RCON B542				RCON B543	
	0	12.500	0				0	50
1. All other financial assets sold with recourse	RCON B675		RCON B676	RCON B677	RCON B678	RCON B679	RCON B680	
	0	1.00	0	0	0	0	0	51
2. All other off-balance sheet liabilities	RCON B681		RCON B682	RCON B683	RCON B684	RCON B685	RCON B686	
	0	1.00	0	0	0	0	0	52
3. Unused commitments with an original maturity exceeding one year	RCON 3833		RCON B687	RCON B688	RCON B689	RCON B690	RCON B691	
	9,536	.50	4,768	0	0	0	4,768	53
4. Derivative contracts			RCON A167	RCON B693	RCON B694	RCON B695		
			0	0	0	0	0	54

(1) Column A multiplied by credit conversion factor.

(2) For financial standby letters of credit to which the low-level exposure rule applies, use a credit conversion factor of 12.5 or an institution-specific factor.

For other financial standby letters of credit, use a credit conversion factor of 1.00. See instructions for further information. (Entering an 'M' allows for data entry in Column B.)

(3) Or institution specific factor.

Schedule RC-R—Continued

	(Column C)	(Column D)	(Column E)	(Column F)	
	Allocation by Risk Weight Category				
	0%	20%	50%	100%	
	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	Bl Ml Thou	
Dollar Amounts in Thousands					
Totals					
55. Total assets, derivatives, and off-balance sheet items by risk weight category (for each column, sum of items 43 through 54)	RCON B696 1,019	RCON B697 25,072	RCON B698 24,828	RCON B699 92,483	55
56. Risk weight factor	x 0%	x 20%	x 50%	x 100%	56
57. Risk-weighted assets by risk weight category (for each column, item 55 multiplied by item 56)	RCON B700 0	RCON B701 5,014	RCON B702 12,414	RCON B703 92,483	57
58. Market risk equivalent assets				RCON B651 0	58
59. Risk-weighted assets before deductions for excess allowance for loan and lease losses and allocated transfer risk reserve (sum of item 57, columns C through F, and item 58)				RCON B704 109,911	59
60. LESS: Excess allowance for loan and lease losses				RCON A222 698	60
61. LESS: Allocated transfer risk reserve				RCON 3128 0	61
62. Total risk-weighted assets (item 59 minus items 60 and 61)				RCON A223 109,213	62

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	Dollar Amounts in Thousands						RCON	Bl Ml Thou	
	With a remaining maturity of								
	(Column A) One year or less		(Column B) Over one year through five years		(Column C) Over five years		RCON	Bl Ml Thou	
	RCON	Trl Bl Ml Thou	RCON	Trl Bl Ml Thou	RCON	Trl Bl Ml Thou			
1. Current credit exposure across all derivative contracts covered by the risk-based capital standards							8764	0	M.1
2. Notional principal amounts of derivative contracts: (1)									
a. Interest rate contracts	3809	0	8766	0	8767	0			M.2.a
b. Foreign exchange contracts	3812	0	8769	0	8770	0			M.2.b
c. Gold contracts	8771	0	8772	0	8773	0			M.2.c
d. Other precious metals contracts	8774	0	8775	0	8776	0			M.2.d
e. Other commodity contracts	8777	0	8778	0	8779	0			M.2.e
f. Equity derivative contracts	A000	0	A001	0	A002	0			M.2.f
g. Credit derivative contracts:									
(1) Investment grade	C980	0	C981	0	C982	0			M.2.g.1
(2) Subinvestment grade	C983	0	C984	0	C985	0			M.2.g.2

(1) Exclude foreign exchange contracts with an original maturity of 14 days or less and all futures contracts.

Schedule RC-S—Servicing, Securitization, and Asset Sale Activities

	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets
	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou	Bil Mil Thou
Dollar Amounts in Thousands							
Bank Securitization Activities							
1. Outstanding principal balance of assets sold and securitized by the reporting bank with servicing retained or with recourse or other seller-provided credit enhancements	RCON B705 0	RCON B706 0	RCON B707 0	RCON B708 0	RCON B709 0	RCON B710 0	RCON B711 0
2. Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to structures reported in item 1 in the form of:							
a. Credit-enhancing interest-only strips (Included in Schedules RC-B or RC-F or in Schedule RC, item 5)	RCON B712 0	RCON B713 0	RCON B714 0	RCON B715 0	RCON B716 0	RCON B717 0	RCON B718 0
b. Subordinated securities and other residual interests	RCON C393 0	RCON C394 0	RCON C395 0	RCON C396 0	RCON C397 0	RCON C398 0	RCON C399 0
c. Standby letters of credit and other enhancements	RCON C400 0	RCON C401 0	RCON C402 0	RCON C403 0	RCON C404 0	RCON C405 0	RCON C406 0
3. Reporting bank's unused commitments to provide liquidity to structures reported in item 1	RCON B726 0	RCON B727 0	RCON B728 0	RCON B729 0	RCON B730 0	RCON B731 0	RCON B732 0
4. Past due loan amounts included in item 1:							
a. 30-89 days past due	RCON B733 0	RCON B734 0	RCON B735 0	RCON B736 0	RCON B737 0	RCON B738 0	RCON B739 0
b. 90 days or more past due	RCON B740 0	RCON B741 0	RCON B742 0	RCON B743 0	RCON B744 0	RCON B745 0	RCON B746 0
5. Charge-offs and recoveries on assets sold and securitized with servicing retained or with recourse or other seller-provided credit enhancements (calendar year-to-date):							
a. Charge-offs	RIAD B747 0	RIAD B748 0	RIAD B749 0	RIAD B750 0	RIAD B751 0	RIAD B752 0	RIAD B753 0
b. Recoveries	RIAD B754 0	RIAD B755 0	RIAD B756 0	RIAD B757 0	RIAD B758 0	RIAD B759 0	RIAD B760 0

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Legal Title of Bank

FDIC Certificate Number: 27055

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Schedule RC-S—Continued

	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets		
Dollar Amounts in Thousands	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou		
6. Amount of ownership (or seller's) interests carried as:									
a. Securities (included in Schedule RC-8 or in Schedule RC, Item 5)		RCON B761 0	RCON B762 0			RCON B763 0	6.a		
b. Loans (included in Schedule RC-C)		RCON B500 0	RCON B501 0			RCON B502 0	6.b		
7. Past due loan amounts included in interests reported in item 6.a:									
a. 30-89 days past due		RCON B764 0	RCON B765 0			RCON B766 0	7.a		
b. 90 days or more past due		RCON B767 0	RCON B768 0			RCON B769 0	7.b		
8. Charge-offs and recoveries on loan amounts included in interests reported in item 6.a (calendar year-to-date):									
a. Charge-offs		RIAD B770 0	RIAD B771 0			RIAD B772 0	8.a		
b. Recoveries		RIAD B773 0	RIAD B774 0			RIAD B775 0	8.b		
For Securitization Facilities Sponsored By or Otherwise Established By Other Institutions									
9. Maximum amount of credit exposure arising from credit enhancements provided by the reporting bank to other institutions' securitization structures in the form of standby letters of credit, purchased subordinated securities, and other enhancements		RCON B776 0	RCON B777 0	RCON B778 0	RCON B779 0	RCON B780 0	RCON B781 0	RCON B782 0	9
10. Reporting bank's unused commitments to provide liquidity to other institutions' securitization structures		RCON B783 0	RCON B784 0	RCON B785 0	RCON B786 0	RCON B787 0	RCON B788 0	RCON B789 0	10

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Legal Title of Bank

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Schedule RC-S—Continued

	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets
Dollar Amounts in Thousands	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou	Bl Mil Thou
Bank Asset Sales							
11. Assets sold with recourse or other seller-provided credit enhancements and not securitized by the reporting bank	RCON B790 0	RCON B791 0	RCON B792 0	RCON B793 0	RCON B794 0	RCON B795 0	RCON B796 0
12. Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to assets reported in item 11	RCON B797 0	RCON B798 0	RCON B799 0	RCON B800 0	RCON B801 0	RCON B802 0	RCON B803 0

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	Dollar Amounts in Thousands	RCON	Bl Mil Thou	
1. Small business obligations transferred with recourse under Section 208 of the Riegle Community Development and Regulatory Improvement Act of 1994:				
a. Outstanding principal balance		A249	0	M.1.a
b. Amount of retained recourse on these obligations as of the report date		A250	0	M.1.b
2. Outstanding principal balance of assets serviced for others (includes participations serviced for others):				
a. Closed-end 1-4 family residential mortgages serviced with recourse or other servicer-provided credit enhancements		B804	0	M.2.a
b. Closed-end 1-4 family residential mortgages serviced with no recourse or other servicer-provided credit enhancements		B805	0	M.2.b
c. Other financial assets (includes home equity lines) (1)		A591	0	M.2.c
d. 1-4 family residential mortgages serviced for others that are in process of foreclosure at quarter-end (includes closed-end and open-end loans)		F699	0	M.2.d
3. Asset-backed commercial paper conduits:				
a. Maximum amount of credit exposure arising from credit enhancements provided to conduit structures in the form of standby letters of credit, subordinated securities, and other enhancements:				
(1) Conduits sponsored by the bank, a bank affiliate, or the bank's holding company		B806	0	M.3.a.1
(2) Conduits sponsored by other unrelated institutions		B807	0	M.3.a.2
b. Unused commitments to provide liquidity to conduit structures:				
(1) Conduits sponsored by the bank, a bank affiliate, or the bank's holding company		B808	0	M.3.b.1
(2) Conduits sponsored by other unrelated institutions		B809	0	M.3.b.2
4. Outstanding credit card fees and finance charges included in Schedule RC-S, item 1, column C (2)		C407	N/A	M.4

(1) Memorandum item 2.c is to be completed if the principal balance of other financial assets serviced for others is more than \$10 million.

(2) Memorandum item 4 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.

Schedule RC-T—Fiduciary and Related Services

Items 12 through 18, items 20 through 23, and Memorandum item 4 will not be made available to the public on an individual institution basis.

1. Does the institution have fiduciary powers? (If "NO," do not complete Schedule RC-T)	RCON A345	YES / NO NO	1
2. Does the institution exercise the fiduciary powers it has been granted?	RCON A346	YES / NO NO	2
3. Does the institution have any fiduciary or related activity (in the form of assets or accounts) to report in this schedule? (If "NO," do not complete the rest of Schedule RC-T.)	RCON B867	YES / NO NO	3

If the answer to item 3 is "YES," complete the applicable items of Schedule RC-T, as follows:

Institutions with total fiduciary assets (item 9, sum of columns A and B) greater than \$250 million (as of the preceding December 31) or with gross fiduciary and related services income greater than 10% of revenue (net interest income plus noninterest income) for the preceding calendar year must complete:

- Items 4 through 19 quarterly,
- Items 20 through 23 annually with the December report, and
- Memorandum items 1 through 4 annually with the December report.

Institutions with total fiduciary assets (item 9, sum of columns A and B) greater than \$100 million but less than or equal to \$250 million (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:

- Items 4 through 23 annually with the December report, and
- Memorandum items 1 through 4 annually with the December report.

Institutions with total fiduciary assets (item 9, sum of columns A and B) of \$100 million or less (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:

- Items 4 through 10 annually with the December report, and
- Memorandum items 1 through 3 annually with the December report.

	(Column A) Managed Assets	(Column B) Non-Managed Assets	(Column C) Number of Managed Accounts	(Column D) Number of Non-Managed Accounts	
	Dollar Amounts in Thousands TR BE MI THOU	TR BE MI THOU			
FIDUCIARY AND RELATED ASSETS	RCON B868	RCON B869	RCON B870	RCON B871	
4. Personal trust and agency accounts	N/A	N/A	N/A	N/A	4
5. Retirement related trust & agency accounts:	RCON B872	RCON B873	RCON B874	RCON B875	
a. Employee benefit-defined contribution	N/A	N/A	N/A	N/A	5.a
b. Employee benefit-defined benefit	RCON B876	RCON B877	RCON B878	RCON B879	5.b
c. Other retirement accounts	RCON B880	RCON B881	RCON B882	RCON B883	5.c
6. Corporate trust and agency accounts	RCON B884	RCON B885	RCON C001	RCON C002	6
7. Investment management agency accounts	RCON B886	N/A	RCON B888	N/A	7
8. Other fiduciary accounts	RCON B890	RCON B891	RCON B892	RCON B893	8
9. Total fiduciary accounts (sum of items 4 through 8)	RCON B894	RCON B895	RCON B896	RCON B897	9
10. Custody and safekeeping accounts	N/A	RCON B898	N/A	RCON B899	10
11. Not applicable		N/A		N/A	

Schedule RC-T—Continued

	Dollar Amounts in Thousands		
	RIAD	Bl Mil Thou	
FIDUCIARY AND RELATED SERVICES INCOME			
12. Personal trust and agency accounts	B904	N/A	12
13. Retirement related trust and agency accounts:			
a. Employee benefit—defined contribution	B905	N/A	13.a
b. Employee benefit—defined benefit	B906	N/A	13.b
c. Other retirement accounts	B907	N/A	13.c
14. Corporate trust and agency accounts	A479	N/A	14
15. Investment management agency accounts	B908	N/A	15
16. Other fiduciary accounts	A480	N/A	16
17. Custody and safekeeping accounts	B909	N/A	17
18. Other fiduciary and related services income	B910	N/A	18
19. Total gross fiduciary and related services income (sum of items 12 through 18) (must equal Schedule RI, item 5.a)	4070	N/A	19
20. LESS: Expenses	C058	N/A	20
21. LESS: Net losses from fiduciary and related services	A488	N/A	21
22. PLUS: Intracompany income credits for fiduciary and related services	B911	N/A	22
23. Net fiduciary and related services income	A491	N/A	23

Memoranda	Dollar Amounts in Thousands		Managed Assets	
	RCON	Bl Mil Thou		
1. Managed assets held in personal trust and agency accounts:				
a. Noninterest-bearing deposits	B913	N/A		M.1.a
b. Interest-bearing deposits	B914	N/A		M.1.b
c. U.S. Treasury and U.S. Government agency obligations	B915	N/A		M.1.c
d. State, county and municipal obligations	B916	N/A		M.1.d
e. Money market mutual funds	B917	N/A		M.1.e
f. Other short-term obligations	B918	N/A		M.1.f
g. Other notes and bonds	B919	N/A		M.1.g
h. Common and preferred stocks	B920	N/A		M.1.h
i. Real estate mortgages	B921	N/A		M.1.i
j. Real estate	B922	N/A		M.1.j
k. Miscellaneous assets	B923	N/A		M.1.k
l. Total managed assets held in personal trust and agency accounts (sum of Memorandum items 1.a through 1.k) (must equal Schedule RC-T, item 4, column A)	B868	N/A		M.1.l

	Dollar Amounts in Thousands		(Column A) Number of Issues	(Column B) Principal Amount Outstanding	
	RCON	Bl Mil Thou		RCON B928	
2. Corporate trust and agency accounts:					
a. Corporate and municipal trusteeships	B927	N/A		N/A	M.2.a
b. Transfer agent, registrar, paying agent, and other corporate agency	B929	N/A			M.2.b

Schedule RC-T—Continued

Memoranda—Continued

	Dollar Amounts in Thousands		(Column A) Number of Funds		(Column B) Market Value of Fund Assets		
	RCON		RCON	Bl MI Thou	RCON	Bl MI Thou	
3. Collective investment funds and common trust funds:							
a. Domestic equity	B931	N/A	B932	N/A	B933	N/A	M.3.a
b. International/Global equity	B933	N/A	B934	N/A	B935	N/A	M.3.b
c. Stock/Bond blend	B935	N/A	B936	N/A	B937	N/A	M.3.c
d. Taxable bond	B937	N/A	B938	N/A	B939	N/A	M.3.d
e. Municipal bond	B939	N/A	B940	N/A	B941	N/A	M.3.e
f. Short term investments/Money market	B941	N/A	B942	N/A	B943	N/A	M.3.f
g. Specialty/Other	B943	N/A	B944	N/A	B945	N/A	M.3.g
h. Total collective investment funds (sum of Memorandum items 3.a through 3.g)	B945	N/A	B946	N/A			M.3.h

	(Column A) Gross Losses Managed Accounts		(Column B) Gross Losses Non-Managed Accounts		(Column C) Recoveries		
	RIAD	MI Thou	RIAD	MI Thou	RIAD	MI Thou	
4. Fiduciary settlements, surcharges and other losses:							
a. Personal trust and agency accounts	B947	N/A	B948	N/A	B949	N/A	M.4.a
b. Retirement related trust and agency accounts	B950	N/A	B951	N/A	B952	N/A	M.4.b
c. Investment management agency accounts	B953	N/A	B954	N/A	B955	N/A	M.4.c
d. Other fiduciary accounts and related services	B956	N/A	B957	N/A	B958	N/A	M.4.d
e. Total fiduciary settlements, surcharges, and other losses (sum of Memorandum Items 4.a through 4.d) (sum of columns A and B minus column C must equal Schedule RC-T, item 21)	B959	N/A	B960	N/A	B961	N/A	M.4.e

Person to whom questions about Schedule RC-T—Fiduciary and Related Services should be directed:

N/A
Name and Title (TEXT B962)

N/A
E-mail Address (TEXT B926)

N/A N/A
Telephone: Area code/phone number/extension (TEXT B963) FAX: Area code/phone number (TEXT B964)

REPORT OF CONDITION

Consolidating domestic subsidiaries of
Clover Community Bank
in the state of SC at close of business on December 31, 2008
published in response to call made by (Enter additional information below)

Statement of Resources and Liabilities

Dollar Amounts in Thousands

ASSETS

Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		4,109
Interest-bearing balances		4,659
Securities:		
Held-to-maturity securities		0
Available-for-sale securities		17,576
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold		1,117
Securities purchased under agreements to resell		0
Loans and lease financing receivables:		
Loans and leases held for sale		0
Loans and leases, net of unearned income	102,607	
LESS: Allowance for loan and lease losses	2,072	
Loans and leases, net of unearned income and allowance		100,535
Trading Assets		0
Premises and fixed assets (including capitalized leases)		2,224
Other real estate owned		1,327
Investments in unconsolidated subsidiaries and associated companies		0
Intangible assets:		
Goodwill		0
Other intangible assets		0
Other assets		4,768
Total assets		138,316

REPORT OF CONDITION (Continued)

LIABILITIES

Dollar Amounts in Thousands

Deposits:

In domestic offices		117,159
Noninterest-bearing	11,647	
Interest-bearing	105,512	
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased		0
Securities sold under agreements to repurchase		0
Trading liabilities		0
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)		8,000
Subordinated notes and debentures		0
Other liabilities		1,066
Total liabilities		126,225
Minority interest in consolidated subsidiaries		0

EQUITY CAPITAL

Perpetual preferred stock and related surplus		0
Common stock		1,264
Surplus (exclude all surplus related to preferred stock)		2,070
Retained earnings		6,645
Accumulated other comprehensive income		111
Other equity capital components		0
Total equity capital		10,090
Total liabilities, minority interest, and equity capital		136,315

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

I, Jerry L. Glenn, Senior Vice President & CFO
(Name, Title)

of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Director #1

Director #2

Director #3

