

UNITED STATES OF AMERICA
BEFORE THE
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D.C.

Written Agreement by and among

FIRSTBANK FINANCIAL SERVICES, INC.
McDonough, Georgia

FEDERAL RESERVE BANK OF ATLANTA
Atlanta, Georgia

and

BANKING COMMISSIONER OF THE
STATE OF GEORGIA
Atlanta, Georgia

Docket No. 08-038-WA/RB-HC

WHEREAS, in recognition of their common goal to maintain the financial soundness of FirstBank Financial Services, Inc., McDonough, Georgia (“FirstBank”), a registered bank holding company that owns and controls FirstBank Financial Services, McDonough, Georgia (the “Bank”), a state chartered nonmember bank, and a nonbank subsidiary, FirstBank, the Federal Reserve Bank of Atlanta (the “Reserve Bank”), and the Banking Commissioner of the State of Georgia (the “Commissioner”) have mutually agreed to enter into this Written Agreement (the “Agreement”); and

WHEREAS, on October 24, 2008, the board of directors of FirstBank, at a duly constituted meeting, adopted a resolution authorizing and directing Thaddeus M. Williams, to enter into this Agreement on behalf of FirstBank, and consenting to compliance with each and every provision of this Agreement by FirstBank and its institution-

affiliated parties, as defined in sections 3(u) and 8(b)(3) of the Federal Deposit Insurance Act, as amended (the “FDI Act”) (12 U.S.C. §§ 1813(u) and 1818(b)(3)).

NOW, THEREFORE, FirstBank, the Reserve Bank, and the Commissioner agree as follows:

Dividends

1. (a) FirstBank shall not declare or pay any dividends without the prior written approval of the Reserve Bank and the Director of the Division of Banking Supervision and Regulation (the “Director”) of the Board of Governors of the Federal Reserve System (the “Board of Governors”) and the Commissioner.

(b) FirstBank shall not directly or indirectly take dividends or any other form of payment representing a reduction in capital from the Bank without the prior written approval of the Reserve Bank and the Commissioner.

(c) FirstBank and its nonbank subsidiary shall not make any distributions of interest, principal, or other sums on subordinated debentures or trust preferred securities without the prior written approval of the Reserve Bank, the Director and the Commissioner.

(d) All requests for prior approval shall be received by the Reserve Bank and the Commissioner at least 30 days prior to the proposed dividend declaration date, proposed distribution on subordinated debentures, and required notice of deferral on trust preferred securities. All requests shall contain, at a minimum, current and projected information on FirstBank’s capital, earnings, and cash flow; the Bank’s capital, asset quality, earnings, and allowance for loan and lease losses; and identification of the sources of funds for the proposed payment or distribution. For requests to declare or pay dividends, FirstBank must also demonstrate that the requested declaration or payment of dividends is consistent with the Board

of Governors' Policy Statement on the Payment of Cash Dividends by State Member Banks and Bank Holding Companies, dated November 14, 1985 (Federal Reserve Regulatory Service, at 4-877 at page 4-323) and the Georgia Department of Banking and Finance Statement of Policies.

Debt and Stock Redemption

2. (a) FirstBank and its nonbank subsidiary shall not, directly or indirectly, incur, increase, or guarantee any debt without the prior written approval of the Reserve Bank and the Commissioner. All requests for prior written approval shall contain, but not be limited to, a statement regarding the purpose of the debt, the terms of the debt, and the planned source(s) for debt repayment, and an analysis of the cash flow resources available to meet such debt repayment.

(b) FirstBank shall not, directly or indirectly, purchase or redeem any shares of its stock without the prior written approval of the Reserve Bank and the Commissioner.

Compliance with Laws and Regulations

3. (a) In appointing any new director or senior executive officer, or changing the responsibilities of any senior executive officer so that the officer would assume a different senior executive officer position, FirstBank shall comply with the notice provisions of section 32 of the FDI Act (12 U.S.C. § 1831i) and Subpart H of Regulation Y of the Board of Governors (12 C.F.R. §§ 225.71 *et seq.*).

(b) FirstBank shall comply with the restrictions on indemnification and severance payments of section 18(k) of the FDI Act (12 U.S.C. § 1828(k)) and Part 359 of the Federal Deposit Insurance Corporation's regulations (12 C.F.R. Part 359).

Progress Reports

4. Within 30 days after the end of each calendar quarter following the date of this Agreement, the board of directors shall submit to the Reserve Bank and the Commissioner written progress reports detailing the form and manner of all actions taken to secure FirstBank's compliance with the provisions of this Agreement and the results thereof.

Communications

5. All communications regarding this Agreement shall be sent to:

- (a) Mr. Robert D. Hawkins
Assistant Vice President
Federal Reserve Bank of Atlanta
1000 Peachtree Street, N.E.
Atlanta, Georgia 30309-4470
- (b) Mr. Robert M. Braswell
Commissioner
Department of Banking and Finance
2990 Brandywine Road
Atlanta, Georgia 30341
- (c) Mr. Thaddeus M. Williams
President and Chief Executive Officer
FirstBank Financial Services, Inc.
P.O. Box 3550
McDonough, Georgia 30253

Miscellaneous

6. Notwithstanding any provision of this Agreement to the contrary, the Reserve Bank and the Commissioner may, in their sole discretion, grant written extensions of time to FirstBank to comply with any provision of this Agreement.

7. The provisions of this Agreement shall be binding upon FirstBank and each of its institution-affiliated parties, in their capacities as such, and their successors and assigns.

8. Each provision of this Agreement shall remain effective and enforceable until stayed, modified, terminated, or suspended in writing by the Reserve Bank or the Commissioner.

9. The provisions of this Agreement shall not bar, estop, or otherwise prevent the Board of Governors, the Reserve Bank, the Commissioner, or any other federal or state agency from taking any other action affecting FirstBank, the Bank, or any of their current or former institution-affiliated parties and their successors and assigns.

10. Pursuant to section 50 of the FDI Act (12 U.S.C. § 1831aa), this Agreement is enforceable by the Board of Governors under section 8 of the FDI Act (12 U.S.C. § 1818) and by the Commissioner pursuant to the Official Code of Georgia Annotated § 7-1-91.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the 12th day of November, 2008.

FIRSTBANK FINANCIAL SERVICES, INC.

FEDERAL RESERVE BANK OF
ATLANTA

By: /s/ Thaddeus M. Williams
Thaddeus M. Williams
President and Chief Executive Officer

By: /s/ Robert D. Hawkins
Robert D. Hawkins
Assistant Vice President

BANKING COMMISSIONER OF THE
STATE OF GEORGIA

By: /s/ Robert M. Braswell
Robert M. Braswell
Commissioner