



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, DC 20551

September 29, 2016

Sean Mahoney, Esq.
K&L Gates LLP
State Street Financial Center
One Lincoln Street
Boston, Massachusetts 02111

Dear Mr. Mahoney:

This letter responds to your request on behalf of Hildene Capital Management, LLC; Hildene Opportunities Fund II, LP; Hildene Opportunities Master Fund II, Ltd.; TARP Opportunities Fund, LLC; and certain other investors advised by Hildene Capital Management, LLC (collectively, “Hildene”) for relief from 40 sets of commitments (the “Commitments”) that Hildene made to the Board in connection with its purchase of the preferred shares (the “CPP Shares”) that were issued separately by 40 firms (the “Issuers”)¹ to the Department of the Treasury as part of the Troubled Asset Relief Program’s Capital Purchase Program. Hildene provided the Board with commitments that were intended to ensure Hildene would not exercise a controlling influence over the Issuers for purposes of the Bank Holding Company Act, as amended. The requested relief would completely relieve Hildene from the Commitments.

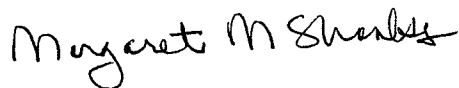
All of the CPP Shares have been redeemed by the Issuers or sold by Hildene. Therefore, Hildene no longer has any ownership interest in any of the Issuers. Additionally, Hildene has represented that it does not have: either representation on the board of directors of any Issuer or its affiliates or the right to appoint a director to or have representation on the board of directors of any Issuer or its affiliates; existing or contemplated business relationships or employee interlocks with any Issuer or its affiliates; formal or informal agreements with any Issuer or its affiliates relating to the management or policies of any Issuer; or relationships with other shareholders of any Issuer, including formal or informal agreements or understandings relating to their

¹ See Appendix for a list of the Issuers and details regarding Hildene’s investments in the Issuers.

investments in an Issuer. Hildene has also represented that it will not exercise or attempt to exercise a controlling influence over any Issuer if granted relief from the Commitments.

Based on all the facts of record, the Director of the Division of Banking Supervision and Regulation, acting pursuant to authority delegated by the Board under section 265.7(a)(2) of the Board's Rules Regarding Delegation of Authority (12 CFR 265.7(a)(2)), and after consulting with the General Counsel, has approved Hildene's request for relief from the Commitments. This action is based on the representations and commitments set forth in all of your communications and in correspondence related to your request, including the representations discussed above. Any change in the facts presented could result in a different conclusion and should be reported to Board staff immediately. This determination should not be construed as granting relief from any other conditions or commitments to which Hildene may be subject.

Very truly yours,



Margaret McCloskey Shanks
Deputy Secretary of the Board

Appendix

Issuer	Class of Shares	Shares Initially Purchased	Date of Passivity Commitment	Date of Disposition of Shares	Method of Disposition
Alarion Financial Services, Inc. ² (Ocala, Florida)	Class A	500	7/17/2013	9/30/2014	Issuer Redeemed
	Class B	301			
Alaska Pacific Bancshares, Inc. ³ (Juneau, Alaska)	Class A	2,711	11/28/2012	3/24/2014	Issuer Redeemed
Alliance Financial Services, Inc. (Saint Paul, Minnesota)	Class A	4,500	2/1/2013	7/19/2013	Issuer Redeemed
Biscayne Bancshares, Inc. (Coconut Grove, Florida)	Class B	64	2/1/2013	5/15/2013	Issuer Redeemed
Blackhawk Bancorp, Inc. (Beloit, Wisconsin)	Class A	4,000	10/30/2012	4/25/2014	Issuer Redeemed
Blue Valley Ban Corp. (Overland Park, Kansas)	Series A	4,650	10/15/2013	8/5/2015	Issuer Redeemed

² Alarion Financial Services, Inc., was acquired by Heritage Financial Group, Inc., Albany, Georgia, on 10/1/2014. Hildene does not own any interests in Heritage Financial.

³ Alaska Pacific Bancshares, Inc., was acquired by Northrim Bancorp, Inc., Anchorage, Alaska, on 4/1/2014. Hildene does not own any interests in Northrim Bancorp.

Issuer	Class of Shares	Shares Initially Purchased	Date of Passivity Commitment	Date of Disposition of Shares	Method of Disposition
Boscobel Bancorp, Inc. (Boscobel, Wisconsin)	Class A	1,835	3/8/2013	5/3/2013	Issuer Redeemed
Bridgeview Bancorp, Inc. (Bridgeview, Illinois)	Class A	9.852	11/13/2013	6/2/2015	Issuer Redeemed
Brogan Bankshares, Inc. (Kaukauna, Wisconsin)	Class A Class B	508 9	4/23/2013	5/15/2015	Issuer Redeemed
Carolina Bank Holdings, Inc. (Greensboro, North Carolina)	Class A	6,000	2/18/2013	5/5/2015	Issuer Redeemed
CenterBank (Milford, Ohio)	Class A Class B	2,000 13	10/30/2012	5/31/2013	Issuer Redeemed
Centrue Financial Corporation (Ottawa, Illinois)	Class C	6,000	9/23/2013	3/31/2015	Issuer Redeemed
Coastal Banking Company, Inc. (Beaufort, South Carolina)	Class A	3,950	3/8/2013	11/16/2015	Issuer Redeemed

Issuer	Class of Shares	Shares Initially Purchased	Date of Passivity Commitment	Date of Disposition of Shares	Method of Disposition
Community Pride Bank Corporation ⁴ (Ham Lake, Minnesota)	Class A	1,900	8/7/2013	12/10/2014	Issuer Redeemed
	Class B	50			
Delmar Bancorp (Salisbury, Maryland)	Class A	1,000	2/1/2013	11/13/2015	Issuer Redeemed
	Class B	50			
Dickinson Financial Corporation II (Kansas City, Missouri)	Class A	12,668	2/1/2013	2/9/2015	Issuer Redeemed
F & M Bancshares, Inc. (Trezevant, Tennessee)	Class A	2,000	2/1/2013	9/16/2013	Issuer Redeemed
	Class C	2,000			
F C Holdings, Inc. ⁵ (Sugar Land, Texas)	Class C	8,000	2/18/2013	11/16/2015	Issuer Redeemed
	Class D	250			

⁴ Community Pride Bank Corporation was acquired by Centra Ventures, Inc., Foley, Minnesota, on 3/1/2015. Hildene does not own any interest in Centra Ventures.

⁵ F C Holdings, Inc., was acquired by Pioneer Bancshares, Inc., Dripping Springs, Texas, on 3/1/2016. Hildene does not own any interest in Pioneer Bancshares.

Issuer	Class of Shares	Shares Initially Purchased	Date of Passivity Commitment	Date of Disposition of Shares	Method of Disposition
First Advantage Bancshares, Inc. ⁶ (Coon Rapids, Minnesota)	Class A	847	12/10/2012	2/26/2015	Issuer Redeemed
	Class B	6			
First Gothenburg Bancshares, Inc. (Gothenburg, Nebraska)	Class A	6,791	10/30/2012	1/17/2013	Issuer Redeemed
	Class B	129			
First Southwest Bancorporation, Inc. (Alamosa, Colorado)	Class A	2,000	3/27/2013	11/14/2014	Issuer Redeemed
	Class B	50			
Freeport Bancshares, Inc. (Freeport, Illinois)	Class A	2,531	4/9/2014	2/17/2015	Issuer Redeemed
	Class B	50			
Germantown Capital Corporation, Inc. (Germantown, Tennessee)	Class A	3,500	10/30/2012	12/21/2012	Issuer Redeemed
	Class B	98			

⁶ First Advantage Bancshares, Inc., was acquired by Border Bancshares, Inc., Greenbush, Minnesota, on 2/26/2015. Hildene does not own any interest in Border Bancshares.

Issuer	Class of Shares	Shares Initially Purchased	Date of Passivity Commitment	Date of Disposition of Shares	Method of Disposition
Great River Holding Company (Baxter, Minnesota)	Class A	4,200	4/9/2014	8/17/2015	Issuer Redeemed
HomeTown Bankshares Corporation (Roanoke, Virginia)	Class B	80	10/30/2012	9/13/2013	Issuer Redeemed
IA Bancorp, Inc. (Edison, New Jersey)	Class A	2,569	3/11/2014	11/24/2014	Issuer Redeemed
Intervest Bancshares Corporation ⁷ (New York, New York)	Class A	5,000	6/21/2013	8/15/2013	Issuer Redeemed
Madison Financial Corporation ⁸ (Richmond, Kentucky)	Class B	1,670	11/21/2013	7/24/2015	Issuer Redeemed

⁷ Intervest Bancshares Corporation was acquired by Bank of the Ozarks Inc., Little Rock, Arkansas, on 2/11/2015. Hildene does not own any interests in Bank of the Ozarks.

⁸ Madison Financial Corporation was acquired by Kentucky Bancshares, Inc., Paris, Kentucky, on 7/25/2015. Hildene does not own any interests in Kentucky Bancshares.

Issuer	Class of Shares	Shares Initially Purchased	Date of Passivity Commitment	Date of Disposition of Shares	Method of Disposition
Metro City Bank (Doraville, Georgia)	Class A	6,500	10/30/2012	5/31/2013	Issuer Redeemed
	Class B	285		12/10/2012	
National Bancshares, Inc.⁹ (Bettendorf, Iowa)	Class T1	7.664	2/18/2013	12/31/2014	Issuer Redeemed
	Class T2	233			
Northwest Bancorporation, Inc. (Spokane, Washington)	Class A	6.100	3/8/2013	12/27/2013	Issuer Redeemed
	Class B	525			
Old Second Bancorp, Inc. (Aurora, Illinois)	Class B	24,159	3/8/2013	8/14/2015	Shares Sold in 2014; Issuer Redeemed Shares in 2015
Omega Capital Corp.¹⁰ (Lakewood, Colorado)	Class A	300	7/17/2013	12/16/2013	Issuer Redeemed

⁹ National Bancshares, Inc., was acquired by Triumph Bancorp, Inc., Dallas, Texas, on 10/1/2015. Hildene does not own any interests in Triumph Bancorp.

¹⁰ Omega Capital Corp. was renamed FRB Bancshares, Inc., on 8/19/2013.

Issuer	Class of Shares	Shares Initially Purchased	Date of Passivity Commitment	Date of Disposition of Shares	Method of Disposition
Pacific City Financial Corporation (Los Angeles, California)	Class A	3,500	11/13/2013	9/29/2014	Issuer Redeemed
Patriot Bancshares, Inc. ¹¹ (Houston, Texas)	Class B	12,000	4/9/2014	10/1/2015	Issuer Redeemed
	Class C	802			
Plato Holdings, Inc. (Saint Paul, Minnesota)	Class A	1,000	4/23/2013	8/15/2013	Issuer Redeemed
	Class B	7			
Ridgestone Financial Services, Inc. (Brookfield, Wisconsin)	Class A	5,000	2/18/2013	11/14/2014	Issuer Redeemed
Security State Bank Holding Company (Fargo, North Dakota)	Class A	5,000	6/21/2013	8/15/2013	Issuer Redeemed
Spirit BankCorp, Inc. (Bristow, Oklahoma)	Series E	5,933	10/15/2013	5/11/2015	Issuer Redeemed

¹¹ Patriot Bancshares, Inc., was acquired by Green Bancorp, Inc., Houston, Texas, on 10/2/2015. Hildene does not own any interests in Patriot Bancshares.

Issuer	Class of Shares	Shares Initially Purchased	Date of Passivity Commitment	Date of Disposition of Shares	Method of Disposition
Waukesha Bankshares, Inc. (Waukesha, Wisconsin)	Class A	4,553	2/1/2013	6/2/2015	Issuer Redeemed
	Class B	19			