



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

December 22, 2016

Mr. Neal J. Wilson
Chief Operating Officer
EJF Capital LLC
2107 Wilson Boulevard, Suite 410
Arlington, Virginia 22201

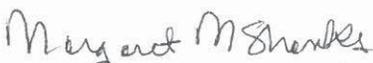
Dear Mr. Wilson:

This letter responds to your request on behalf of EJF Capital LLC (together with its subsidiaries and affiliates, "EJF") for relief from commitments that EJF made to the Board on December 19, 2012, in connection with its purchase of \$1,950,000 in liquidation amount of the preferred shares ("First Alliance CPP Shares") that First Alliance Bancshares, Inc. ("First Alliance"), Cordova, Tennessee, issued to the U.S. Department of the Treasury as part of the Troubled Asset Relief Program's Capital Purchase Program. EJF's purchase amounted to approximately 56.9 percent of the total First Alliance CPP Shares outstanding and approximately 16.5 percent of First Alliance's total equity, as of the date of purchase. EJF provided the Board with passivity commitments that were intended to ensure EJF would not exercise or seek to exercise a controlling influence over First Alliance for purposes of the Bank Holding Company Act, as amended. The requested relief would completely relieve EJF from the commitments.

On July 6, 2016, EJF sold all of the First Alliance CPP Shares that it held to an investor unaffiliated with EJF. Accordingly, EJF no longer has any ownership interest in First Alliance. Additionally, EJF represents that it does not have either representation or the right to representation on the board of directors of First Alliance or any of its affiliates; existing or contemplated business relationships with First Alliance or any of its affiliates; employee interlocks with First Alliance or any of its affiliates; formal or informal agreements with First Alliance or any of its affiliates relating to the management or policies of First Alliance; or relationships with other shareholders of First Alliance through which it might exercise influence over First Alliance. EJF also has represented that it will not exercise or attempt to exercise a controlling influence over the management or policies of First Alliance.

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 EJF's request for relief from the commitments provided in connection with EJF's purchase of the First Alliance CPP Shares. This action is based on the representations set forth in all of your communications 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 EJF may be subject.

Very truly yours,


Margaret McCloskey Shanks
Deputy Secretary of the Board