



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

February 26, 2019

Amanda Allexon, Esq.
Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019-6150

Dear Ms. Allexon:

This letter responds to your request dated December 10, 2018, on behalf of Sageview Capital Partners LP and related funds¹ (together, “Sageview-related funds”) and the family trusts identified in the Confidential Appendix to this letter (“Family Trusts”), as well as their subsidiaries and affiliates (collectively, “Sageview”), for relief from passivity commitments that Sageview made to the Board on December 1, 2010 (the “Commitments”). These Commitments were made in connection with Sageview’s interests in Community Bancorp, LLC (“Community”), a predecessor bank holding company that is now Cadence Bancorporation (“Cadence”), Atlanta, Georgia, the parent of Cadence Bank, N.A. (“Cadence Bank”), Houston, Texas. The Commitments were intended to ensure that Sageview would not exercise a controlling influence over Community for purposes of the Bank Holding Company Act of 1956. The requested relief would completely relieve Sageview from the Commitments.

Sageview represents that since September 2018, all of the shares of Cadence held in Sageview-related funds were sold or distributed to limited partners, employees, and two management officials,² and that no Sageview-related funds or

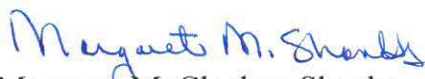
¹ The related funds include Sageview Capital MGP, LLC; Sageview Capital GenPar, L.P.; Sageview Capital GenPar, Ltd.; Sageview Capital Master, L.P.; Sageview Management, LLC; Sageview Capital LP; Sageview Capital Partners (A), L.P.; Sageview Capital Partners (B), L.P.; Sageview Capital Partners (C), L.P.; Sageview Partners (C) (Master), L.P.; Sageview Partners (C) Investments, Inc.; and Sageview Partners (C) Investments, L.P.

² Two management officials of Sageview collectively exercise dispositive control over 1.2 percent of Cadence’s Class A common stock through their respective control over one or more of the Family Trusts that hold shares of the Class A common stock. One of these management officials, Mr. Scott Stuart, is also on the board of directors of Cadence and Cadence Bank.

affiliates currently own or control any shares of Cadence. Aside from the 1.2 percent interest in Cadence attributed to Sageview due to the shares controlled by its two management officials, Sageview represents that it has no knowledge that any Sageview limited partners or employees continue to own or control shares of Cadence and that, if any limited partners or employees do hold shares of Cadence, Sageview has no rights or agreements with respect to the ownership or distribution of their shares. Although Mr. Stuart is expected to continue serving on the boards of directors of Cadence and Cadence Bank,³ Sageview represents that it does not have: the contractual right to appoint a director or have representation on the board of directors of Cadence or any of its affiliates; any other director or employee interlocks with Cadence or any of its affiliates; any formal or informal agreements with Cadence or its affiliates relating to the management or policies of Cadence or its affiliates; or any existing or anticipated business relationships with Cadence or its affiliates through which Sageview might exercise control over Cadence or its affiliates.⁴ Sageview has also represented that it will not exercise or attempt to exercise a controlling influence over Cadence if granted relief from the Commitments.

Based on all the facts of record, the Director of the Division of 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,⁵ and after consulting with the General Counsel, has approved Sageview's request for relief from the Commitments. This action is based on the representations and commitments provided in your communications and 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 Sageview may be subject.

Very truly yours,


Margaret McCloskey Shanks
Deputy Secretary of the Board

cc: Federal Reserve Bank of Dallas

³ As part of the Commitments, Sageview retained the ability to have one director representative on the board of directors of Cadence or its subsidiaries.

⁴ Sageview represents that, due to Mr. Stuart's position as a director, any extensions of credit by Cadence Bank to Sageview or its portfolio companies will comply with Regulation O, 12 CFR part 215.

⁵ 12 CFR 265.7(a)(2).