

OFFICE OF THRIFT SUPERVISION

APPROVAL OF APPLICATIONS FOR PERMISSION TO ORGANIZE A FEDERAL SAVINGS BANK AND HOLDING COMPANY ACQUISITION

ORDER NO.: 99-24

DATE: April 30, 1999

First Capital Bancshares, Inc., Bennettsville, South Carolina (the "Holding Company"), has applied for approval of the Office of Thrift Supervision (the "OTS") pursuant to 12 U.S.C. §§ 1464(e) and 1467a(e), and 12 C.F.R. §§ 552.2-1 and 574.3 for permission to organize and acquire First Capital Bank, Bennettsville, South Carolina (the "Savings Bank") (collectively, "the Applications").

The OTS has considered the Applications under the factors set forth in 12 U.S.C. §§ 1464(e) and 1467a(e), and 12 C.F.R. §§ 543.3, 552.2-1, and 574.7 and other applicable statutes and regulations. The OTS also has considered the Applications under the Community Reinvestment Act, 12 U.S.C. § 2901 *et seq.*, and the OTS regulations thereunder, 12 C.F.R. Part 563e.

In addition, the OTS has considered a digest from the Southeast Regional Office, an analysis prepared by the Office of Supervision and a legal opinion from the Business Transactions Division (collectively, the "Staff Memoranda"). For the reasons set forth in the Staff Memoranda, the OTS finds that the Applications satisfy the applicable approval standards provided that the following conditions are complied with in a manner satisfactory to the Southeast Regional Director, or his designee ("Regional Director"). Accordingly, the Applications are hereby approved, subject to the following conditions:

1. The proposed transaction must be consummated no later than 120 calendar days after the date of this approval order, unless an extension is granted for good cause by the Regional Director;
2. On the business day prior to the date of consummation of the proposed transaction, the chief financial officer of the Savings Bank and the Holding Company must certify to the Regional Director, in writing, that no material adverse events or material adverse changes have occurred with respect to the financial condition or operations of the Savings Bank and the Holding Company, respectively, since the date of the financial statements submitted with the Applications;
3. The Savings Bank must obtain all required regulatory approvals prior to consummation, and must act to satisfy all requirements and conditions imposed by the OTS, and comply with all applicable laws, rules and regulations;
4. No later than 5 calendar days from the date of consummation of the proposed transaction, the Savings Bank must file with the Regional Director, a certification by legal counsel stating the effective date of the proposed transaction and of the Savings Bank's insurance of accounts,

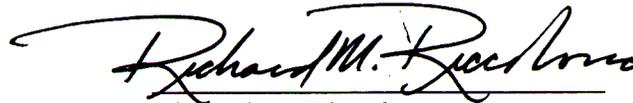
and that the transaction has been consummated in accordance with the provisions of all applicable laws and regulations, the Applications and this order;

5. The Savings Bank must submit independent audit reports to the Regional Director for its first three fiscal years. These reports must be in compliance with the audit rules set forth in 12 C.F.R. Section 562.4;
6. The Savings Bank must operate within the parameters of its business plan. Any proposed major deviations or material changes from the plan, including the level of capital, will require the Savings Bank to submit a revised business plan for the approval of the Regional Director. The request for change shall be submitted a minimum of 30 days before the proposed change is implemented;
7. No later than 5 days after opening, the chief financial officer must provide a reconciliation of capital for the Savings Bank;
8. At least 20 days prior to opening, the Holding Company must provide a list of stockholders including names, addresses, number of shares and percentage of total shares. Any stockholders presumed to be acting in concert pursuant to 12 C.F.R. Section 574.4 must also be listed and the relationship giving rise to the action in concert shall be disclosed;
9. On the day prior to opening, the organizers of the Savings Bank must certify to the Regional Director that: (1) there have been no substantial changes with respect to the Savings Bank as disclosed in the information currently before the OTS, including, but not limited to information regarding directors, major shareholders, or the business plan; and, (2) there has been no additional information brought to the attention of the Savings Bank or the OTS that would have an adverse bearing on any feature of the applications;
10. The Savings Bank must receive prior written approval by the Regional Director for any proposed revisions to the employment contracts of Mr. James Aubrey Crossland and James R. McDonald, including changes reflecting each officer's current title and position, compensation arrangement and the circumstances under which cash bonuses will be paid;
11. For a period of three years following commencement of operations, the appointment of any director or senior official or change in the responsibilities of any senior officer must be submitted to the Regional Director for his non-objection at least 30 days prior to such appointment or change;
12. At least 30 calendar days before beginning operations, the Savings Bank must submit written evidence, acceptable to the Regional Director, that the Savings Bank's Year 2000 efforts comply with the terms, deadlines, requirements and conditions contained in the Year 2000 guidance issued by the OTS and/or the Federal Financial Institutions Examination Council.

Order No.: 99-24

Page 3

By Order of the Director of the Office of Thrift Supervision, or her designee, effective
April 30, 1999.

A handwritten signature in black ink, reading "Richard M. Riccobono". The signature is written in a cursive style with a large, sweeping initial "R".

Richard M. Riccobono
Deputy Director