



Excessive and Luxury Expenditure Policy

ONE GEORGIA BANK
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Adopted: March 17, 2010 (Revised 6/1/2010)

This policy (the “Policy”) fulfills the requirements under the Emergency Economic Stabilization Act of 2008 (the “EESA”), as amended by the American Recovery and Reinvestment Act of 2009 (“ARRA”). The EESA, as amended by the ARRA, requires each recipient of funds under the Capital Purchase Program (“CPP”) of the Troubled Assets Relief Program (“TARP”) to have in place a company-wide policy regarding excessive or luxury expenditures, as identified by the Secretary of the Department of the U.S. Treasury. Nothing in this Policy shall be construed as limiting or otherwise modifying any requirements imposed by any other policy adopted by the Bank, including without limitation the Bank’s Employee Reimbursement Policy. If a conflict exists between this Policy and any other policy adopted by the Bank, the provisions of the policy imposing the stricter requirement shall control so that the conduct at issue will be compliance with all applicable policies.

Excessive or Luxury Expenditure Standard:

One Georgia Bank (the “Bank”) prohibits excessive or luxury expenditures on entertainment and events, office or facility renovations, aviation or other transportation services or other activities or events. For the purpose of this Policy, excessive or luxury expenditures are generally defined by the Bank as those expenditures which: (1) cannot be justified as a reasonable and prudent expense in the normal course business, or (2) can be reasonably viewed as excessive or luxurious when other reasonable cost-efficient expenditures or methods are available but not utilized. Expenditures related to the following events, matters and activities will be subject to the following requirements to the extent that such expenditures are not reasonable expenditures for staff development, reasonable performance incentives, or other similar reasonable measures conducted in the normal course of the Bank’s business operations:

Office and Facility Renovations:

Renovations of facilities and office spaces should be relative to the approved project and current profit plan, and tracked within the capital expenditure policy of the Bank. An exception to this can be allowed if management must deal with an emergency situation, such as an act of nature, and the expenditure is necessary to make the facility operational for customer use. At no time should renovations be done that would have the appearance of being extraordinary or excessive from a shareholder perspective.

Entertainment or Events:

Entertainment is defined as an activity where an employee or executive would use corporate funds for business development purposes relating to a current customer or prospective customer, or to further enhance the Bank's marketing efforts.

Our expectation is that all expenses incurred by the Bank would be for business purposes, and used to drive business to the Bank. Occasional events such as taking customers or prospects on trips, playing golf, eating dinner, or taking them to other events the customer/prospect would find pleasurable is a necessary part of the Bank's marketing efforts and is not deemed as "luxury" or a violation of this policy. These expenses should be documented and detailed as to the benefit derived by the Bank through the normal accounts payable process. The employee is financially responsible for any expense incurred by spouse traveling to conferences or sponsored events.

Events and parties focused on customers for the purpose of attracting their business would not fall under this policy.

Conferences:

We encourage our staff to attend conferences that are appropriate educational opportunities. These conferences should be related to the financial services industry and have a direct correlation to their job. At times it may be appropriate that a spouse would travel to these conferences with Bank attendees. Typically these conferences are sponsored by vendors, banking associations, or other industry related traveling to conferences or sponsored events entities. The employee is financially responsible for any expense incurred by spouse

Employee Recognition/Holiday Parties:

We feel that employee recognition/holiday parties are part of an employee appreciation process. These events should be local in geographic nature, and would include costs for such things as service awards and nominal door prizes. An event should not cost the sponsoring business unit more than an average day's payroll per employee.

Board/Management Retreats:

Retreats should only be used for educational or business planning purposes, and should be kept in consideration and looked at, in the same view and discretion as all other expenses. Board education is a vital part of maintaining, and keeping a dynamic director base, and this policy should not limit a retreat that is focused on strategic planning or education. The employee is financially responsible for any expense incurred by spouse traveling to conferences or sponsored events.

Aviation or Other Transportation Services:

Transportation for staff to outlying locations, including bank locations, conferences, business development purposes and merger and acquisition research, should be conducted in the most cost appropriate way for the Bank. Modes of transportation to be used may consist of vehicle, commercial air or rail service. The selection of transportation services will factor in cost, efficiency and timeliness of travel. Private air services are not allowed without the approval of the Bank's Board of Directors.

Review and Approval of Expenditures:

Questions regarding this Policy, including the review and prior approval of any expenditure as to its reasonableness, shall be directed to the Chief Financial Officer, who shall consult with the General Counsel and make a recommendation to the Company's Senior Executive Officers (as defined under the EESA as amended by ARRA)who shall make a recommendation to one of the Bank's senior executive officers (as defined under the EESA as amended by the ARRA) for a determination, provided that no Senior Executive Officer shall make any determination with respect to his or her own expenditures. All determinations by such persons shall be final, binding and conclusive on all persons for all purposes.

Policy Compliance:

Any violation of this Policy must be promptly reported to the Chief Financial Officer or the General Counsel, and all such violations shall be reported to the Bank's Board of Directors at its next subsequent meeting. Violations of this Policy may result in disciplinary action against those accountable for policy adherence, up to and including termination of employment.

Policy Certification:

The Bank's principal executive officer and principal financial officer (as defined under the EESA as amended by the ARRA) shall certify to the Board of Directors, to the U.S. Treasury and to the Federal Deposit Insurance Corporation ("FDIC") at least annually, in accordance with all applicable U.S. Treasury regulations and guidance, that the Bank has complied with this Policy during the applicable period, and that all expenditures requiring approval pursuant to this Policy have been properly approved in accordance with the requirements of this Policy. Appropriate documentation and records to substantiate such certifications shall be preserved for six years after the date of each such certification in accordance with applicable government regulations and guidance.

Policy Maintenance:

In accordance with all applicable regulations and guidance, the Bank will maintain this Policy, ensure it is posted on the Bank's website, and provide a copy of this Policy and any material amendments hereto to the U.S. Treasury and the FDIC.

Policy Amendments:

Amendments to this Policy will be made as necessary or appropriate upon the approval of the Bank's Board of Directors.