



**Comptroller of the Currency
Administrator of National Banks**

Southern District Licensing
500 North Akard, Suite 1600
Dallas, Texas 75201-3323

**Conditional Approval #918
September 2009**

August 5, 2009

Jeffrey L. Hare
Attorney
Alston & Bird, LLC
The Atlantic Building
950 F Street, NW
Washington, DC 20004-1404

Re: Affiliated Merger of The Savannah Bank, National Association, Savannah, Georgia with and into Harbourside Community Bank, N.A., Hilton Head Island, South Carolina, with the resulting head office to be located in Savannah, Georgia. (CAIS #2009-SO-02-0004).
Trust Powers request for Harbourside Community Bank, N.A. (CAIS #2009-SO-12-0148)

Dear Mr. Hare:

This is to inform you that today I conditionally approved the application to merge The Savannah Bank, National Association, Savannah, Georgia with and into Harbourside Community Bank, National Association, Hilton Head Island, South Carolina. The resulting bank will have the:

Title of: The Savannah Bank, National Association
Home office located at: 25 Bull Street, Savannah, Georgia
Charter Number: 22152

This conditional approval is granted based on a thorough review of all information available, including commitments and representations made in the application, merger agreement, and those of your representatives.

This merger approval is subject to the following condition:

The Bank: (i) shall give the North Florida Field Office at least sixty (60) days prior notice of the Bank's intent to significantly deviate or change from its business plan or operations and (ii) shall obtain the OCC's written determination of no objection before the Bank engages in any significant deviation or change from its business plan or operations.¹ The OCC may impose additional conditions it deems appropriate in a written determination of no objection to a Bank's notice. This condition shall remain in effect for three years.

¹ If such deviation or change is the subject of an application filed with the OCC, no notice to the Supervisory Office is required.

Jeffrey L. Hare, Esq.

August 5, 2009

Page 2

The condition of this approval is a condition “imposed in writing by the agency in connection with the granting of any application or other request” within the meaning of 12 U.S.C. §1818 and, as such, is enforceable under 12 U.S.C. §1818.

I reviewed the proposed merger transaction under the criteria of the Bank Merger Act, 12 U.S.C. §1828(c), and applicable OCC regulations and policies. Among other matters, I found that the proposed transaction would not have significant anticompetitive effects. I considered the financial and managerial resources of the banks, their future prospects, the convenience and needs of the communities to be served, and their effectiveness in combating money laundering activities. I considered these factors and found them consistent with approval.

The business combination of The Savannah Bank, N.A. and Harbourside Community Bank, N.A. is legally authorized as an interstate merger transaction under the Riegle-Neal Act, 12 U.S.C. §215a-1 and 1831u(a), and the resulting bank is authorized to retain and operate offices of both banks under 12 U.S.C. §36(d) and §1831u(d)(1).

I have also approved Harbourside Community Bank, National Association to conduct fiduciary powers pursuant to 12 U.S.C. §92a. This approval constitutes a permit to conduct the fiduciary powers requested in your application filed pursuant to 12 C.F.R. §5.26(e)(4).

As a reminder, the district office must be advised in writing in advance of the desired effective date for the merger so that the OCC may issue the necessary certification letter. The effective date must be on or after the date of this letter. If the merger is not consummated within one year from the approval date, the approval shall automatically terminate, unless the OCC grants an extension of the time period.

The OCC will issue a letter certifying consummation of the transaction when we receive the following:

- A Secretary’s Certifications from each institution, certifying that the shareholder approvals have been obtained.
- Executed Articles of Association for the resulting bank

This conditional approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our approval is based on the bank’s representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

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August 5, 2009

Page 3

All correspondence regarding this application should reference the application control number. If you have any questions, contact Senior Licensing Analyst Brenda E. McNeese or me at (214) 720-7052.

Yours truly,

Karen H. Bryant

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Director for District Licensing