As filed with the Securities and Exchange Commission on April 10, 2018

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-1
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

Origin Bancorp, Inc.

(Exact name of registrant as specified in its charter)

Louisiana	**6022**	**79-1192928**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

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500 South Service Road East
Ruston, Louisiana 71270
(318) 255-2222
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Drake Mills
Chairman, President and Chief Executive Officer
Origin Bancorp, Inc.
500 South Service Road East
Ruston, Louisiana 71270
(318) 255-2222
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Chet A. Fenimore, Esq. **Geoffrey S. Kay, Esq.** **Derek W. McGee, Esq.** **Fenimore, Kay, Harrison & Ford, LLP** **812 San Antonio Street** **Suite 600** **Austin, Texas 78701** **(512) 583-5900** **(512) 583-5940 (facsimile)**	**Frank M. Conner III, Esq.** **Michael P. Reed, Esq.** **Christopher J. DeCresce, Esq.** **Covington & Burling LLP** **One CityCenter** **850 Tenth Street NW** **Washington, DC 20001** **(202) 662-6000** **(202) 778-5986 (facsimile)**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.
If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. o
If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o
If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o
If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	o	Accelerated filer	o	Emerging growth company	☑
Non-accelerated filer	☑	Smaller reporting company	o		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☑

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price[1][2]	Amount of Registration Fee
Common stock, $5.00 par value per share	$90,000,000	$11,205

(1) Includes shares of common stock that the underwriters have the option to purchase from the registrant.
(2) Estimated solely for purposes of calculating the registration fee in accordance with Rule 457(o) under the Securities Act of 1933.

The registrant hereby amends this registration statement on such date as may be necessary to delay its effective date until the registrant will file a further amendment which specifically states that this registration statement will thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until this registration statement will become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 10, 2018

PRELIMINARY PROSPECTUS

Shares

Common Stock

This prospectus relates to the initial public offering of Origin Bancorp, Inc.'s common stock. We are a financial holding company for Origin Bank, a state-chartered commercial bank based in Ruston, Louisiana. We are offering shares of our common stock.

Prior to this offering, there has been no established public market for our common stock. We currently estimate that the public offering price per share of our common stock will be between $ and $ per share. We have applied to list our common stock on the Nasdaq Global Select Market under the symbol “OBNK.”

Investing in our common stock involves risks. See “Risk Factors,” beginning on page 15, for a discussion of certain risks that you should consider before investing in our common stock.

Neither the Securities and Exchange Commission, nor any other state securities commission nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

We are an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012 and are subject to reduced public company reporting requirements. See "Implications of Being an Emerging Growth Company."

Our common stock is not a deposit or savings account of any of our bank or non-bank subsidiaries and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

	Per Share	Total
Initial public offering price	$	$
Underwriting discount[(1)]	$	$
Proceeds, before expenses	$	$

(1) See “Underwriting” for additional information regarding the underwriting discounts and commissions and certain expenses payable to the underwriters by us.

We have granted the underwriters an option for a period of 30 days to purchase up to an additional shares of our common stock from us on the same terms set forth above.

The underwriters expect to deliver the shares of our common stock against payment on or about , 2018, subject to customary closing conditions.

Stephens Inc. **Raymond James**

The date of this prospectus is , 2018.

THE ORIGIN VISION

TO CREATE UNIQUE BANKING EXPERIENCES THAT IMPACT THE WORLD AROUND US.

BEST BANKS TO WORK FOR 5 CONSECUTIVE YEARS
American Banker

OVER 250 ORGANIZATIONS SERVED
in our communities in 2017

41 BANKING CENTERS
serving 22 communities

TOP 100 PLACES TO WORK
Dallas Morning News

BEST COMPANY TO WORK FOR
Fort Worth Inc.

BEST BANK FOR 11 CONSECUTIVE YEARS
Delta Style Best of the Delta Award

BEST BANK
BayouLife Bayou Buzz Awards

TOP 100 PLACES TO WORK
Mississippi Business Journal

BEST OF MS
Mississippi Business Journal

Origin Bancorp | Origin Bank.

MEMBER FDIC

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About this Prospectus

Unless the context indicates otherwise, references in this prospectus to "we," "our," and "us," refer to Origin Bancorp, Inc., a Louisiana corporation, and its consolidated subsidiaries. All references in this prospectus to "Origin Bank" or "the Bank" refer to Origin Bank, our wholly owned bank subsidiary.

You should rely only on the information contained in this prospectus. We and the underwriters have not authorized anyone to provide you with information different from that contained in this prospectus. If anyone provides you with additional, different or inconsistent information, you should not rely on it. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is an offer to sell only the shares of our common stock offered hereby, and only under circumstances and in jurisdictions where it is lawful to do so. We are not making an offer of shares of our common stock in any state, country or other jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus or any free writing prospectus is accurate as of any date other than the date of the applicable document regardless of its time of delivery or the time of any sales of our common stock. Our business, financial condition, results of operations and cash flows may have changed since the date of the applicable document.

This prospectus describes the specific details regarding this offering and the terms and conditions of our common stock being offered hereby and the risks of investing in our common stock. For additional information, please see the section entitled "Where You Can Find More Information."

Industry and Market Data

This prospectus includes industry and market data that we obtained from periodic industry publications, third-party studies and surveys, filings of public companies in our industry and internal company surveys. These sources include government and industry sources. Industry publications and surveys generally state that the information contained therein has been obtained from sources believed to be reliable. Although we believe the industry and market data to be reliable as of the date of this prospectus, this information could prove to be inaccurate. Industry and market data could be wrong because of the method by which sources obtained their data and because information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. In addition, we do not know all of the assumptions regarding general economic conditions or growth that was used in preparing the forecasts from the sources relied upon or cited herein. Forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements in this prospectus. Trademarks used in this prospectus are the property of their respective owners, although for presentational convenience, we may not use the ® or the ™ symbols to identify such trademarks.

Implications of being an Emerging Growth Company

As a company with less than $1.07 billion in gross revenue during our last fiscal year, we qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of reduced regulatory and reporting requirements that are otherwise generally applicable to public companies. As an emerging growth company:

- we may present only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations, or MD&A;
- we are exempt from the requirement to obtain an attestation and report from our auditors on the assessment of our internal control over financial reporting under the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act;
- we are permitted to provide less extensive disclosure about our executive compensation arrangements; and

- we are not required to hold non-binding advisory votes on executive compensation or golden parachute arrangements.

We will cease to be an emerging growth company upon the earliest of: (i) the last day of the fiscal year in which we have more than $1.07 billion in annual gross revenues, (ii) the date on which we become a "large accelerated filer" under the Securities Exchange Act of 1934, as amended (the fiscal year end on which we have more than $700.0 million in market value of our common stock held by non-affiliates as of any June 30), (iii) the date on which we issue more than $1.00 billion of non-convertible debt in a three-year period, or (iv) the last day of the fiscal year following the fifth anniversary of our initial public offering. We may choose to take advantage of some but not all of these reduced burdens. We have elected in this prospectus to take advantage of scaled disclosure relating to executive compensation arrangements and to include only two years of audited financial statements.

The JOBS Act also permits an "emerging growth company" to take advantage of an extended transition period for complying with new or revised accounting standards affecting public companies. However, we have elected not to take advantage of this extended transition period, which means that the financial statements included in this prospectus, as well as any financial statements that we file in the future, will be subject to all new or revised accounting standards generally applicable to public companies. Our election not to take advantage of the extended transition period is irrevocable.

ESOP Repurchase Right Termination

In accordance with provisions of the Internal Revenue Code of 1986, as amended, or the Code, that are applicable to private companies, the terms of our employee stock ownership plan containing 401(k) provisions, or ESOP, currently provide that ESOP participants have the right, for a specified period of time, to require us to repurchase shares of our common stock that are distributed to them by the ESOP. As a result, the ESOP-owned shares are deducted from stockholders' equity in our consolidated balance sheet. The shares of common stock held by the ESOP are reflected in our consolidated balance sheet as a line item called "ESOP-owned shares" appearing between total liabilities and stockholders' equity. Upon the completion of this offering and the listing of our common stock on the Nasdaq Global Select Market, our repurchase liability will be extinguished and the ESOP-owned shares will be included in stockholders' equity.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus and may not contain all of the information that you should consider before investing in our common stock. You should carefully read the entire prospectus, including the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," together with our consolidated financial statements and the related notes, before making an investment decision.

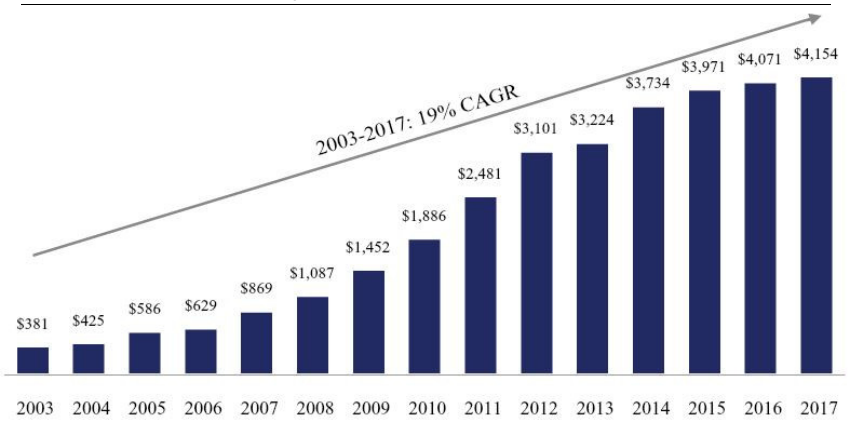
Our Company

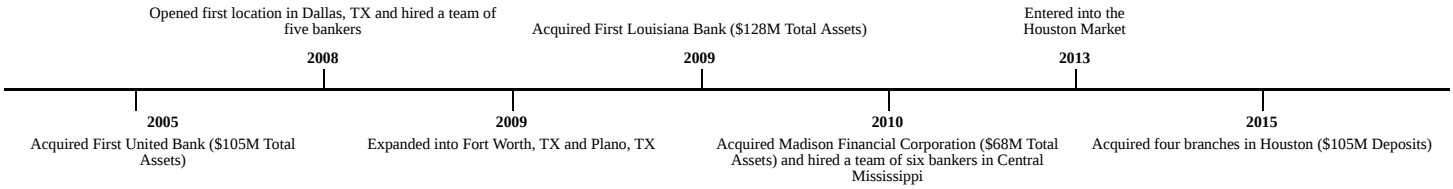
We are a financial holding company headquartered in Ruston, Louisiana. Our wholly owned bank subsidiary, Origin Bank, was founded in 1912. Deeply rooted in our history is a culture committed to providing personalized, relationship banking to our clients and communities. We provide a broad range of financial services to small and medium-sized businesses, municipalities, high net worth individuals and retail clients. We currently operate 41 banking centers from Dallas/Fort Worth, Texas across North Louisiana to Central Mississippi, which we refer to as the I-20 Corridor, as well as in Houston, Texas. As of December 31, 2017, we had total assets of $4.15 billion, total loans of $3.31 billion, total deposits of $3.51 billion and total stockholders' equity, including ESOP-owned shares, of $455.3 million.

We are committed to building unique client experiences through a strong culture, experienced leadership team and a focus on delivering unmatched customer service throughout Texas, Louisiana, and Mississippi. We are well-positioned for continued success based on (1) a talented team of relationship bankers, executives and directors, (2) a diverse footprint with stable and growth-oriented markets, (3) differentiated and customized delivery and service, (4) an ability to significantly leverage our infrastructure and technology and (5) our core deposit franchise.

For more than a century, building relationships has remained at the core of our banking philosophy, and based on this principle, we have established a strong culture, brand and reputation throughout our markets. In order to better serve, expand and capitalize on these relationships, our experienced leadership team has utilized strategic initiatives to enhance our growth through additional de novo banking centers and targeted acquisitions. Drake Mills was appointed Chief Executive Officer of Origin Bank in January 2003 and became our Chief Executive Officer in 2008. Under his leadership, we have developed our vision and strategic plan to become a leading regional financial holding company with a commitment to operating as a community bank regardless of our size. Since 2003, our consolidated assets have increased from approximately $380.6 million to approximately $4.15 billion as of December 31, 2017. Our growth has included further penetration of our legacy markets in North Louisiana as well as expansion into the Dallas/Fort Worth and Central Mississippi markets along the I-20 Corridor. Most recently, we expanded our franchise into Houston, Texas. The following chart illustrates our successful track record of growth in total assets, as we have experienced a compound annual growth rate, or CAGR, in total assets of 19% since 2003.

History of Growth in Total Assets ($M)





Successful execution of our strategic plan has produced significant growth in our franchise. Since 2005, we have enhanced our growth by integrating three bank acquisitions, entering several expansion markets, expanding our product offerings in mortgage lending and servicing as well as in insurance and private banking, and significantly growing market share in each of our markets. To support our growth, we have raised over $180.0 million of new capital since 2006, in addition to our internally generated capital, and we have supplemented our entry into expansion markets by hiring a number of experienced in-market bankers and banking teams.

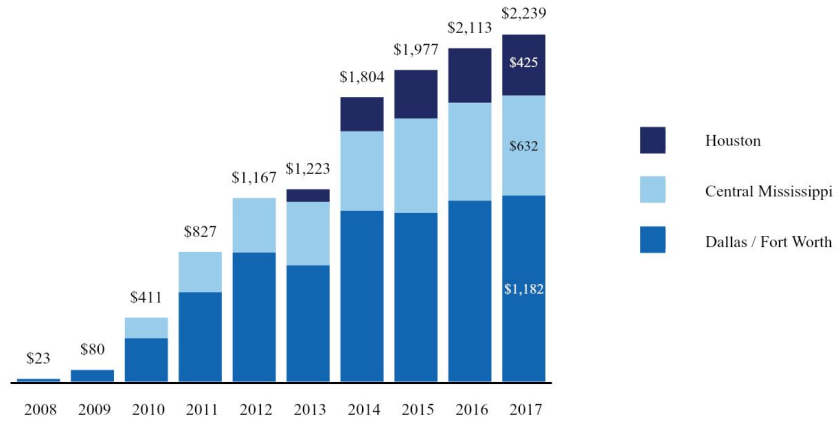
We believe we are well-positioned to continue to grow organically and through opportunistic lift-outs of relationship banking teams and acquisitions of franchises in both our legacy and newer markets. We also believe we are poised for ongoing growth in profitability as we further leverage our investments in technology and infrastructure. We believe our future growth and profitability will be predicated on our commitment to differentiate our company through creating a unique client experience as we continue to operate a relationship-focused community bank. Our approach has proven effective throughout our history in attracting and retaining clients and employees and in growing our communities and shareholder value.

Our Competitive Strengths and Banking Strategy

Proven Organic Growth Capabilities across Attractive Geographic Footprint

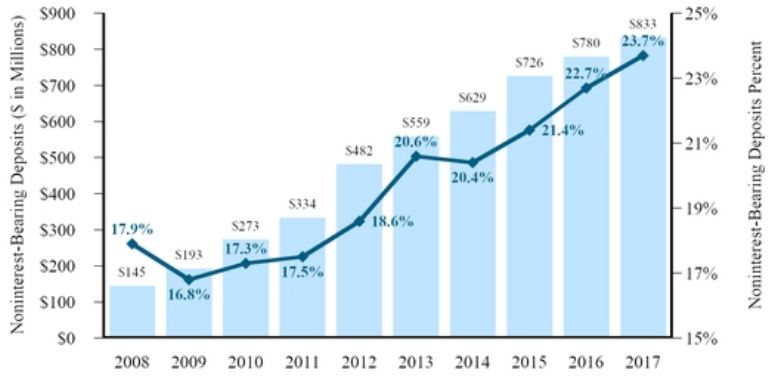
We have demonstrated an ability to grow our loans and deposits organically. Our team of seasoned bankers has been an important driver of our organic growth by further developing banking relationships with current and potential clients. We believe the strength of our culture and brand has been the core of our success in attracting talented bankers and banking relationships. In addition, our relationship bankers are motivated to increase the size of their loan and deposit portfolios and generate fee income while maintaining strong credit quality. As illustrated in the chart below, we have proven capabilities of entering diverse new markets and achieving strong growth and market share gains.

Loan Balances by Expansion Market ($M)



To promote our organic growth, we strategically locate banking centers within our markets and employ highly experienced relationship bankers who proactively develop valuable relationships within the communities that we serve. Through these relationships, our bankers are able to capitalize on loan demand across a wide range of industries. This allows us to not only diversify our loan portfolio, but also focus on loans with quality credit characteristics. We focus on generating core deposits and, in particular, noninterest-bearing deposits, as our primary funding source to support loan growth. We believe motivating our relationship bankers to generate strong core, noninterest-bearing deposit growth enhances our ability to build and strengthen client relationships and provide stable funding for our growth.

Noninterest-Bearing Deposits



Diverse Operating Markets

As further described in “Our Markets” below, we believe that our markets provide us with an advantage in terms of growing our loans and deposits, as well as increasing profitability and building shareholder value. We operate in markets that we believe offer an attractive combination of diversity, growth and stability in Texas, Louisiana and Mississippi. The Dallas/Fort Worth and Houston markets provide attractive economic environments and a large number of mid-sized business deposit and lending opportunities. Our legacy markets in North Louisiana offer a stable economic climate and a lower cost deposit-gathering and operational platform. Our footprint within the Central Mississippi market represents areas of significant commercial growth and investment.

Our team's history of operating successful banking institutions in our markets spans, on average, well in excess of 20 years, and we have a strong reputation for delivering superior service in our markets. Our strong roots in the communities that we serve give us opportunities to grow market share in each of our markets in terms of deposits, assets and our fee income businesses.

Experienced Leadership

We are led by a team of banking professionals, each of whom has extensive experience with large regional banking institutions and maintains well-established relationships with the small to medium-sized business leaders in our market areas. Our commercial banking officers in our legacy Louisiana markets have an average of 23 years of banking experience, in our Mississippi markets have an average of 20 years of banking experience, in our Dallas/Fort Worth market have an average of more than 24 years of banking experience and in our Houston market have an average of more than 28 years of banking experience. We believe that the market knowledge and relationships obtained by these seasoned lenders in their respective markets, as well as

our historical ability to attract and retain these officers, differentiates us from many of the financial institutions with which we compete.

Our executive management team is led by Chairman, President, and Chief Executive Officer, Drake Mills, a banker with over 34 years of banking experience who started out as a check file clerk with Origin Bank. Having worked his way up through our organization, Mr. Mills has served in various capacities including in-house system night operator, branch manager, consumer loan officer, commercial lender and Chief Financial Officer. He became President and Chief Operations Officer in 1997 and was named Chief Executive Officer of Origin Bank in 2003. He has served our holding company as President since 1998 and Chief Executive Officer since 2008 and as Chairman of our board of directors since 2012. Under his leadership as President and Chief Executive Officer, Origin Bank has grown from assets of $200.6 million to $4.15 billion, primarily through organic growth. Mr. Mills served on the Community Depository Institutions Advisory Council to the Federal Reserve Bank of Dallas from 2011 to 2014. He represented the Federal Reserve Bank of Dallas on the Community Depository Institutions Advisory Council to the Federal Reserve System in Washington, D.C., and was appointed as the council's President for a one year term in 2013. He is also a past Chairman of the Louisiana Bankers Association. Mr. Mills oversees our executive management team as well as the development and execution of our strategic plan. His vision and leadership are instrumental in our growth and success.

M. Lance Hall is our Chief Operating Officer and Louisiana State President. Mr. Hall has served our organization for approximately 18 years through various roles including commercial lending and market management. Prior to joining Origin Bank, Mr. Hall spent four years at Regions Bank as a Credit Analyst and Commercial Relationship Manager. As our Chief Operating Officer, Mr. Hall manages our operations, information technology, strategic planning and brand teams.

Stephen H. Brolly is our Chief Financial Officer. Mr. Brolly has approximately 19 years of banking experience and, before joining us in January 2018, most recently served as Chief Financial Officer of Fidelity Southern Corporation (Nasdaq: LION) and its wholly owned subsidiary, Fidelity Bank, for approximately 10 years. Prior to his tenure with Fidelity Southern, he served as Senior Vice President and Controller of Sun Bancorp, Inc. (Nasdaq: SNBC) and its wholly owned subsidiary, Sun National Bank, for seven years. Mr. Brolly began his professional career in public accounting and spent 13 years at Deloitte & Touche.

F. Ronnie Myrick is our Chief Banking Officer. Mr. Myrick has served as Chief Banking Officer since 2017 and also as Chief Administration Officer since 2009. He oversees our regional presidents, retail banking, marketing and mortgage operations. He formerly served as Northeast Louisiana President of Deposit Guaranty National Bank, a wholly owned subsidiary of Deposit Guaranty Corporation, and prior to that he was President of Capital Bank of Delhi, Louisiana. Mr. Myrick has 50 years of experience in the banking industry.

Cary Davis is our Chief Risk Officer. He oversees our centralized loan underwriting team, credit administration, internal audit and enterprise risk management. Mr. Davis has 45 years of experience in the banking industry, more than 20 of which have been with Origin Bank. Before joining Origin Bank, he served in numerous executive officer capacities, including Executive Vice President and Chief Credit Officer, for Central Bank, a subsidiary of First Commerce Corporation, which was the second largest bank holding company in Louisiana at the time of its acquisition in 1998 by Banc One Corporation. Mr. Davis also spent four years with the Office of the Comptroller of the Currency as a bank examiner.

Complementing our experienced senior executive management team, our board of directors is comprised of well-regarded career bankers, professionals, entrepreneurs and business and community leaders with collective depth and experience in commercial banking, finance, real estate and manufacturing. Of our 13 directors, four have served previously on the boards of directors of banking institutions and three have held positions at commercial banks. Our directors have an average of more than 19 years of banking experience. In addition, 11 of our 13 directors qualify as independent under the rules of the Nasdaq Stock Market.

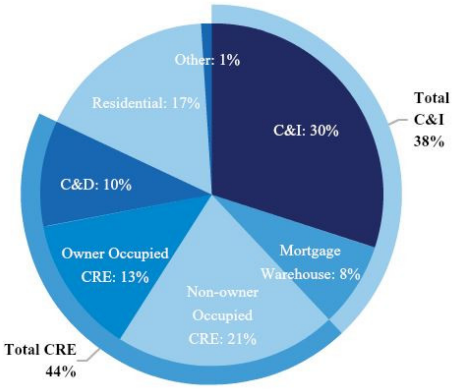
In addition to a strong and experienced management team and board of directors, we have built a deep roster of seasoned banking officers. We have a demonstrated ability to grow our company organically through the identification, hiring and retention of high quality bankers. We have hired bankers with significant in-market experience in order to create a pool of qualified executive and middle management talent to support scalability. We are also committed to the development of talent within our company through training and promotions, which has led to long-term continuity of talented employees and has assisted in recruiting others. We hire people who are naturally service-oriented and train them to do everything needed to provide a high level of support to our clients. These efforts have created a strong talent pool to fuel our long-term growth prospects.

Variety of Sophisticated Banking Services

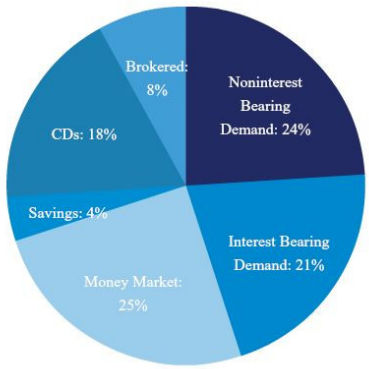
We provide products and services that compete with large, national banks, but with the personalized attention and responsiveness of a relationship-focused community bank. Our offerings include traditional retail deposits, treasury management, commercial deposits, mortgage origination and servicing, insurance, mobile banking and online banking. Our clients value our ability to provide the sophisticated products and services of larger banks, but with a local and agile decision-making process, a focus on building personal relationships, and a commitment to investing in the local economy and community. This allows us to build Origin Bank on low-cost core deposit relationships, high credit quality loans, and fee income generated by value-added services. It also allows us to develop strong relationships across industries, creating a diverse commercial loan portfolio.

We believe we have an attractive mix of loans and deposits. As of December 31, 2017, our loans held for investment portfolio was comprised of 38% commercial and industrial, or C&I, loans, and 44% commercial real estate, or CRE, loans. This focus on commercial lending increases the asset sensitivity of our balance sheet, positioning us well for a rising-rate environment, and provides ample growth opportunities due to our limited real estate concentrations. As of December 31, 2017, approximately 24% of our deposits were noninterest-bearing demand deposits and our cost of deposits was 0.56% for the year ended December 31, 2017.

Loan Composition (12/31/17)

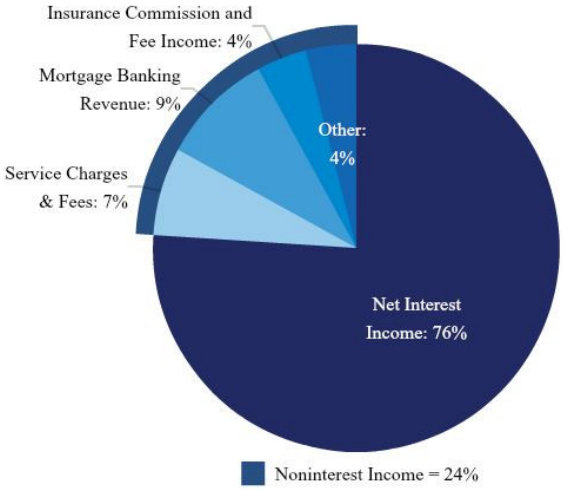


Deposit Composition (12/31/17)



We have been able to generate significant and diverse noninterest income with the variety of services offered at Origin Bank. Our mortgage origination and mortgage servicing operations have enabled us to develop new relationships with customers, while also enhancing core deposit growth and generating fee income. Our insurance, treasury management and banking products and services provide a more comprehensive advisory relationship with our customers, in particular the owners and management of many of our commercial banking customers.

Core Revenue Distribution (2017)[1]



(1) We calculate core revenue as net interest income plus noninterest income less losses on non-energy loans held for sale and gains on sales and disposals of other assets. For more information, please refer to the section of this prospectus titled "Management's Discussion and Analysis of Financial Condition and Results of Operations - Non-GAAP Financial Measurements."

Ability to Leverage Our Infrastructure and Generate Significant Growth in Profitability

We are able to provide cost-effective accounting, finance, risk management, information technology, human resources and marketing services to our bank markets and our other affiliates from our principal executive offices and operations center in North Louisiana. We believe this organizational structure creates a competitive advantage for us by removing the burden of maintaining the “back office” from our markets, thus allowing our relationship bankers to focus on being responsive, efficient and flexible in serving our clients. We further believe that our investments in core systems and infrastructure provide us with a scalable platform that enhances the efficiency of our organization and positions us to grow our franchise both organically and through acquisitions in a cost-efficient manner. We have a robust infrastructure bolstered by our continued investment in our core operating system, mobile delivery and technology that can support our model as we grow in our legacy and newer markets either organically or through opportunistic acquisitions.

We utilize our strong, centralized risk and credit support infrastructure to operate each of our markets as connected businesses. Each of our market leaders is empowered to make local decisions up to specified limits set by our executive management team under the direction of our board of directors. We believe that the delivery by our bankers of in-market credit decisions, coupled with our infrastructure and strong enterprise risk management, allow us to best serve our clients while maintaining consistent credit quality across our franchise. This operating model has proven beneficial in our legacy markets and successfully replicated in our expansion markets. Similar to our expansions into Central Mississippi and Dallas/Fort Worth, we have built an infrastructure in Houston with the ability for growth and scalability. Historically, we have successfully grown deposits and loans per banking center in our expansion markets over time and expect Houston will scale in like manner over the near term. While our investments in the Houston market have impacted our short-term profitability, we believe these investments will enable the same success over the long term we have experienced in our other expansion markets.

Franchise Scale by Expansion Market

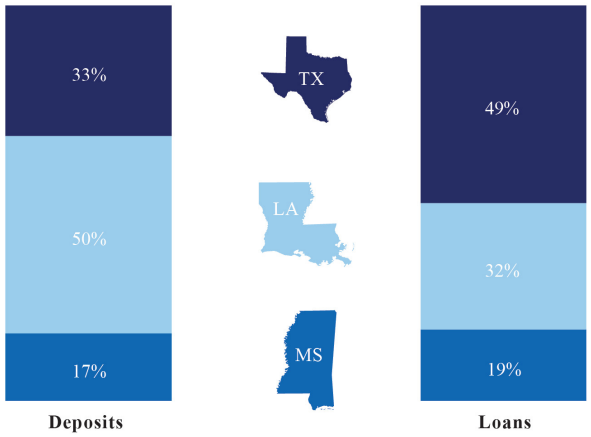
(Dollars in Millions) Region	Year of Entry	As of December 31, 2017 Total Deposits	Deposits / Banking Center	Total Loans	Loans / Banking Center	Banking Centers
Dallas/Fort Worth, TX	2008	$ 646.6	$ 80.8	$ 1,182.0	$ 147.8	8
Central Mississippi	2010	572.7	114.5	631.9	126.4	5
Houston	2013	520.8	57.9	425.4	47.3	9
Total / Average		**$ 1,740.1**	**$ 79.1**	**$ 2,239.3**	**$ 101.8**	**22**

We also continue to make significant investments in technology to improve customer experience and create efficiencies across our enterprise. We seek to engage leading service providers to enhance our technology platform, such as our online banking products and our mobile applications, in order to remain on the forefront of banking innovation. We believe our technology offerings are superior to those offered by many similar-sized competitors and comparable to those of the nation's largest banks.

Our Markets

We operate in markets that we believe offer an attractive combination of diversity, growth and stability in Texas, Louisiana and Mississippi. We believe our current market areas provide abundant opportunities to continue to grow our client base, increase loans and deposits and expand our overall market share. We also expect to be able to replicate this growth in expansion markets as we continue to expand our relationships and execute our strategy.

Deposits and Loans by State (12/31/2017)



We believe the diversity of our markets offers a number of benefits to us. In our legacy Louisiana markets, including the Ruston and Monroe metropolitan statistical areas, or MSAs, we rank first in deposit market share with approximately 54% and 21%, respectively, as of June 30, 2017. Along the I-20 Corridor and in Houston, we continue to gain scale and market share within our expansion due to our relationship-driven approach and commitment to the communities in which we operate. We seek

to become a leading franchise in each community that we serve, and we believe we are well positioned to continue to grow relationships throughout our geographic footprint.

The following table highlights certain statistics within the primary MSAs we serve:

Markets	Deposits (millions)	# of Branches	Market Rank	Market Share	2017 Median HH Income (in thousands)	2017 Total Populations (Actual)	Est. 5yr Total Growth	
							HHI	Population
North Louisiana:								
Monroe, LA MSA	$ 674.8	9	1	20.6%	$ 40.4	179,930	3.7%	1.8%
Ruston, LA MSA	655.7	6	1	53.5	37.8	47,933	6.7	2.1
Shreveport- Bossier City, LA MSA	331.1	3	7	4.0	47.3	439,839	7.3	0.4
Dallas/Fort Worth, TX MSA	676.1	8	34	0.3	68.1	7,418,556	9.8	7.7
Jackson, MS MSA	563.5	4	5	4.1	49.3	580,462	6.0	1.0
Houston, TX MSA	459.3	9	40	0.2	67.2	6,980,780	7.7	8.3

Source: S&P Market Intelligence. FDIC deposit data as of June 30, 2017. Number of branches as of February 28, 2018, but does not include branches in Oxford, Mississippi or Bastrop, Louisiana, which are not encompassed within the metropolitan statistical areas set forth above.

North Louisiana. North Louisiana has been home to Origin Bank for over a century. The economy throughout the region has remained stable and provided consistent growth over the years. Ranked as the most cost competitive place to do business in the nation by Forbes.com for five years, North Louisiana offers both value and quality. The I-20 corridor stretching from Shreveport-Bossier across North Louisiana is a main transportation hub and over the past decade has become a technology center, linking major employers like Centurylink and IBM with cyber-innovation initiatives from Louisiana Tech University and Barksdale Air Force Base. Eleven colleges and universities are located in North Louisiana and generate the innovations necessary to increase productivity and produce top quality graduates needed to sustain business growth and expansion. Top business sectors throughout the region include healthcare, finance, government, manufacturing, and telecommunications. North Louisiana's diversified economy and low-cost of doing business has helped create a pro-business environment. Our North Louisiana franchise also provides us with a significant amount of low-cost deposits, which help us fund our lending activities.

Dallas/Fort Worth. The Dallas/Fort Worth market is made up of 12 counties with approximately 7.4 million people. It is the largest metropolitan area in the state of Texas and offers a multitude of business opportunities. Dallas/Fort Worth has shown strong growth over recent years and according to the U.S. Census Bureau ranked first in the nation for year-over-year growth in 2016. Over the past five years, 650,000 new residents have moved to the area, which equates to approximately 360 new residents per day. Dallas/Fort Worth is home to 22 Fortune 500 companies and boasts a diverse economy made up of telecommunications, healthcare, technology and transportation. The presence of larger corporations continues to drive economic diversity and attracts new businesses with ties to these larger corporations. According to projections issued by American City Business Journal, Dallas/Fort Worth's population is expected to rise to 11 million people by 2040. This growth creates an abundance of opportunity and makes Dallas/Fort Worth an attractive place for business and industry to thrive.

Central Mississippi. The Central Mississippi market boasts the most attractive environment for business and economic growth in the state. The region of Madison, Hinds and Rankin Counties has the largest labor force as well as the highest per capita income in Mississippi. This is a direct reflection of high paying jobs and an educated workforce. With Jackson as the capital, the State of Mississippi is the largest employer in the area and helps insulate the market through economic cycles. The Jackson metro area is home to the major manufacturing facilities of Nissan and Toyota. The market is also the healthcare epicenter of the state, providing thousands of jobs and supporting the dental and medical schools at the University of Mississippi Medical Center. Along with manufacturing and healthcare, other major sectors of the local economy include agriculture, transportation, and technology companies among many industries that operate in this economy. With Jackson as the geographical and industrial center of the state, there is significant opportunity for growth.

Houston. The Houston region is one of the nation's most attractive major metropolitan areas to live and work. Houston is the nation's fourth most populous city and fifth largest MSA and is expected to grow between one million and two million residents per decade over the next 40 years. With $479 billion in MSA Gross Domestic Product for 2016, Houston is also the

sixth largest U.S. metro economy and is expected to grow 3.1% annually from 2015 to 2040, effectively doubling its economy during that period. If Houston were an independent nation, it would rank as the world's 24th largest economy. Among U.S. ports, the Port of Houston ranks 1st in import tonnage for 26 straight years and 2nd in total tonnage for 24 straight years, and it is the largest container port on the Gulf Coast. Houston's Texas Medical Center is the world's largest medical complex by multiple measures including: number of hospitals, number of physicians, square footage and patient volume. Houston ranks fourth in the nation in the number of corporate headquarters and, among the 100 largest non-U.S.-based corporations, 58 have a presence in Houston. Compared to the nation's 20 most populated metro areas, Houston's housing costs are 39.6% below the average, and its overall living costs are 23.1% below the average.

Our Challenges

There are a number of risks that you should consider before investing in our common stock. These risks are discussed more fully in the section titled "Risk Factors," beginning on page 15, and include, but are not limited to:

- We may not be able to adequately measure and limit our credit risk, which could lead to unexpected losses;
- Because a significant portion of our loan portfolio is comprised of real estate loans, negative changes in the economy affecting real estate values and liquidity could impair the value of collateral securing our real estate loans and result in loan and other losses;
- We rely heavily on our executive management team and other key employees, and the loss of any these individuals could adversely impact our business or reputation;
- Our ability to attract and retain profitable bankers is critical to the success of our business strategy;
- The geographic concentration of our markets in Texas, Louisiana and Mississippi makes us more sensitive than our more geographically diversified competitors to adverse changes in the local economy; and
- We operate in a highly regulated environment and the laws and regulations that govern our operations, corporate governance, executive compensation and accounting principles, or changes in them, or our failure to comply with them, could subject us to regulatory action or penalties.

Recent Developments

[to be provided by amendment]

Corporate Information

Our principal executive offices are located at 500 South Service Road East, Ruston, Louisiana 71270, and our telephone number is (318) 255-2222. Our website is www.origin.bank. The information contained on or accessible from our website does not constitute a part of this prospectus and is not incorporated by reference herein.

THE OFFERING

Common stock offered by us	shares
Underwriter purchase option	shares of common stock from us
Common stock outstanding after completion of the offering	shares of common stock (shares if the underwriters exercise in full their option to purchase additional shares of our common stock)
Use of proceeds	Assuming an initial public offering price of $ per share, which is the midpoint of the offering price range set forth on the cover page of this prospectus, we estimate that the net proceeds to us from the sale of our common stock in this offering will be $ million, (or $ million if the underwriters exercise in full their option to purchase additional shares of our common stock), after deducting the estimated underwriting discount and offering expenses. We intend to use $48.3 million of the net proceeds to redeem all of our outstanding Senior Noncumulative Perpetual Preferred Stock, Series SBLF, or our SBLF preferred stock. We intend to use the remaining net proceeds from this offering, along with available cash, for general corporate purposes, which may include the support of our balance sheet growth, the acquisition of other banks or financial institutions or other complementary businesses to the extent such opportunities arise, and the maintenance of our capital and liquidity ratios, and those of our bank, at acceptable levels. See “Use of Proceeds.”
Dividends	We have paid regular quarterly cash dividends on our common stock since the second quarter of 1997, and our board of directors presently intends to continue to pay regular cash dividends to our shareholders. We most recently declared a dividend of $.0325 per common share for the first quarter of 2018. However, any future determination relating to dividends will be made at the discretion of our board of directors and will depend on a number of factors, including our historical and projected financial condition, liquidity and results of operations; our capital levels and needs; any acquisitions or potential acquisitions that we are considering; contractual, statutory and regulatory prohibitions and other limitations; general economic conditions and other factors deemed relevant by our board of directors. See “Dividend Policy.”
Registration and board rights	We have entered into a registration rights agreement with three of our largest shareholders, as a result of which such shareholders have the ability to cause us to register the resale of their shares of our capital stock. Certain of these shareholders also have the right to nominate a representative to serve on our board of directors and the board of directors of Origin Bank so long as they continue to hold 4.9% or more of our issued and outstanding common stock on an as-converted basis. For a detailed description, see “Certain Relationships and Related Party Transactions—Agreements with Certain Institutional Investors.”
Directed share program	At our request, the underwriters have reserved for sale at the initial public offering price up to 5% of the shares of our common stock being offered by this prospectus for sale to certain of our employees, executive officers, directors, business associates and related persons who have expressed an interest in purchasing our common stock in this offering. We do not know if these persons will choose to purchase all or any portion of the reserved shares, but any purchases they do make will reduce the number of shares available to the general public. See “Underwriting—Directed Share Program.”

Nasdaq Global Select Market listing	We have applied to list our common stock on the Nasdaq Global Select Market under the trading symbol “OBNK.”
Risk factors	Investing in our common stock involves risks. See “Risk Factors,” beginning on page 15, for a discussion of factors that you should carefully consider before making an investment decision.

Except as otherwise indicated, all information in this prospectus:

- assumes an initial public offering of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus;
- assumes no exercise by the underwriters of their option to purchase additional shares of our common stock;
- does not attribute to any director, officer, or principal shareholder any purchases of shares of our common stock in this offering, including through the directed share program described in “Underwriting—Directed Share Program;” and
- excludes shares of our common stock issuable upon the exercise of outstanding stock options with a weighted exercise price of $ per share, as of , 2018.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following tables set forth certain of our summary historical consolidated financial information for each of the periods indicated. The historical financial information at and for the years ended December 31, 2017 and 2016, except for the selected ratios, is derived from our audited financial statements included elsewhere in this prospectus. The historical financial information at and for the years ended December 31, 2015, 2014 and 2013, except for the selected ratios, is derived from our audited financial statements not included in this prospectus. Our historical results may not be indicative of our future performance.

You should read the selected historical consolidated financial and operating data set forth below in conjunction with the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Capitalization," as well as our consolidated financial statements and the related notes included elsewhere in this prospectus.

	At and for the Year Ended				
	2017	2016	2015	2014	2013
	(Dollars in thousands, except share and per share data)				
Income statement data:					
Total interest income	$ 152,593	$ 139,151	$ 137,333	$ 125,923	$ 112,001
Total interest expense	22,288	18,468	16,056	14,721	18,180
Net interest income	130,305	120,683	121,277	111,202	93,821
Provision for credit losses	8,336	30,078	11,610	15,946	8,135
Net interest income after provision for credit losses	121,969	90,605	109,667	95,256	85,686
Noninterest income	29,187	41,868	44,131	38,262	33,167
Noninterest expense	130,674	116,707	113,995	112,334	88,244
Income before income taxes	20,482	15,766	39,803	21,184	30,609
Income tax expense	5,813	2,916	10,725	3,926	8,272
Net income	$ 14,669	$ 12,850	$ 29,078	$ 17,258	$ 22,337
Common stock dividends	$ 2,535	$ 2,331	$ 2,260	$ 2,250	$ 2,226
Balance sheet data (period-end):					
Total assets	$ 4,153,995	$ 4,071,455	$ 3,971,343	$ 3,734,225	$ 3,224,259
Securities	436,753	408,738	388,400	425,887	371,343
Loans, net[1]	3,203,948	3,061,544	2,971,433	2,862,643	2,398,579
Allowance for loan losses	37,083	50,531	41,230	34,781	31,283
Goodwill and other intangible assets, net	24,336	24,854	26,322	23,818	24,918
Noninterest-bearing deposits	832,853	780,065	726,322	628,640	559,292
Total deposits	3,512,014	3,443,266	3,387,821	3,085,186	2,716,132
Junior subordinated debentures	9,619	9,596	9,574	9,737	9,688
Total stockholders' equity[2]	455,342	448,657	398,440	372,690	350,284
SBLF preferred stock[3]	48,260	48,260	48,260	48,260	48,260
Series D preferred stock	16,998	16,998	15,000	15,000	15,000

	At and for the Year Ended				
	2017	2016	2015	2014	2013
	(Dollars in thousands, except share and per share data)				
Earnings per share data:					
Net income	$ 14,669	$ 12,850	$ 29,078	$ 17,258	$ 22,337
Preferred stock dividends	4,461	4,398	636	588	588
Net income allocated to participating stockholders	377	316	1,367	704	921
Net income available to common stockholders	$ 9,831	$ 8,136	$ 27,075	$ 15,966	$ 20,828
Common shares outstanding at end of period[4]	19,518,752	19,483,718	17,419,680	17,396,712	17,240,528
Weighted average common shares outstanding[4]	19,418,278	17,545,655	17,284,100	17,227,176	17,114,256
Weighted average diluted common shares outstanding[4]	19,634,412	17,733,061	17,506,658	17,447,890	17,271,218
Basic earnings per share[4]	$ 0.51	$ 0.46	$ 1.57	$ 0.93	$ 1.22
Diluted earnings per share[4]	0.50	0.46	1.56	0.92	1.21
Performance ratios:					
Return on average assets[5]	0.36%	0.33%	0.76%	0.50%	0.72%
Return on average equity[5]	3.19	3.11	7.49	4.72	6.48
Return on average tangible common equity, as converted[5][6]	3.87	4.06	9.52	5.67	8.59
Net interest margin, fully tax equivalent[7]	3.49	3.37	3.48	3.55	3.28
Efficiency ratio[8]	81.93	71.80	68.92	75.16	69.49
Dividend payout ratio	25.79	28.65	8.35	14.09	10.69
Asset quality ratios:					
Nonperforming assets to total assets	0.59%	1.67%	0.89%	0.56%	0.75%
Nonperforming loans to total loans	0.73	2.14	1.12	0.66	0.89
Allowance for loan losses to nonperforming loans	155.80	75.92	121.74	181.24	145.41
Allowance for loan losses to total loans	1.14	1.62	1.37	1.20	1.29
Net charge-offs as a percentage of average total loans[5]	0.69	0.71	0.15	0.48	0.21
Capital ratios:					
Book value per common share, as converted[9]	$ 19.94	$ 19.64	$ 19.21	$ 17.82	$ 16.73
Tangible book value per common share, as converted[10]	18.74	18.42	17.76	16.51	15.35
Tangible common equity to tangible assets, as converted[11]	9.27%	9.28%	8.21%	8.10%	8.66%
Equity to assets	10.96	11.02	10.03	9.98	10.86
Tier 1 capital to average assets[5]	10.53	10.67	9.79	9.78	10.66
Common equity tier 1 capital to risk-weighted assets	9.35	9.42	8.29	n/a	n/a
Tier 1 capital to risk-weighted assets	11.25	11.33	10.25	10.06	11.08
Total capital to risk-weighted assets	12.26	12.58	11.45	11.12	12.21

(1) Balances are shown net of the allowance for loan losses and exclude loans held for sale.
(2) Includes ESOP-owned shares.
(3) Reflects $48.3 million in aggregate liquidation amount of our Series SBLF preferred stock, which is expected to be redeemed with a portion of the proceeds of this offering.
(4) Presentation of share and per share amounts has been adjusted to reflect a 2-for-1 stock split that occurred on October 5, 2016.
(5) All average balances are calculated on an average daily balance basis.
(6) We calculate return on average tangible common equity, as converted, as net income plus intangible amortization, net of tax, divided by total average stockholders' equity less average SBLF preferred stock and average goodwill and other intangible assets, net of accumulated amortization. Return on average tangible common equity, as converted, is a non-GAAP financial measure, and the most directly

comparable GAAP financial measure is return on average equity. For a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measurements."

(7) Taxable equivalent yields are calculated by applying a 35% estimated tax rate to tax-exempt interest earnings.

(8) We calculate the efficiency ratio by dividing noninterest expense by the sum of net interest income and noninterest income. The efficiency ratio is not calculated on a fully taxable equivalent basis.

(9) We calculate book value per common share, as converted, as total stockholders' equity, including ESOP-owned shares, less SBLF preferred stock divided by the total of common shares outstanding plus all shares of Series D preferred stock issued and outstanding. Book value per common share, as converted, is a non-GAAP financial measure, and the most directly comparable GAAP financial measure is book value per common share. For a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measurements."

(10) We calculate tangible book value per common share, as converted, as total stockholders' equity, including ESOP-owned shares, less preferred stock, goodwill and other intangible assets, net of accumulated amortization, and assumes the conversion of all shares of Series D preferred stock into shares of common stock on a one-for-one basis. Tangible book value per common share, as converted, is a non-GAAP financial measure, and the most directly comparable GAAP financial measure is book value per common share. For a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measurements."

(11) We calculate tangible common equity, as converted, as total stockholders' equity, including ESOP-owned shares, less preferred stock, goodwill and other intangible assets, net of accumulated amortization, and assumes the conversion of all shares of Series D preferred stock into shares of common stock on a one-for-one basis. We calculate tangible assets as total assets less goodwill and core deposit intangibles and other intangible assets, net of accumulated amortization. Tangible common equity to tangible assets, as converted, is a non-GAAP financial measure, and the most directly comparable GAAP financial measure is total stockholders' equity to total assets. For a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measurements."

RISK FACTORS

Investing in our common stock involves a high degree of risk. Before you decide to invest in our common stock, you should carefully consider the risks described below, together with all other information included in this prospectus, including our consolidated financial statements and the related notes included elsewhere in this prospectus. We believe the risks described below are the risks that are material to us as of the date of this prospectus. If any of the following risks actually occur, our business, financial condition and results of operations could be adversely affected. In that case, you could experience a partial or complete loss of your investment. Further, to the extent that any of the information in this prospectus constitutes forward-looking statements, the risk factors below also are cautionary statements identifying important factors that could cause actual results to differ materially from those expressed in any forward-looking statements made by us or on our behalf. See "Cautionary Note Regarding Forward-Looking Statements" beginning on page 43.

Risks Related to Our Business

We may not be able to adequately measure and limit our credit risk, which could lead to unexpected losses.

Our business depends on our ability to successfully measure and manage credit risk. As a lender, we are exposed to the risk that the principal of, or interest on, a loan will not be repaid timely or at all or that the value of any collateral supporting a loan will be insufficient to cover our outstanding exposure. In addition, we are exposed to risks with respect to the period of time over which the loan may be repaid, risks relating to proper loan underwriting, risks resulting from changes in economic and industry conditions, and risks inherent in dealing with individual loans and borrowers. The creditworthiness of a borrower is affected by many factors including local market conditions and general economic conditions. If the overall economic climate in the U.S., generally, or our market areas, specifically, experiences material disruption, our borrowers may experience difficulties in repaying their loans, the collateral we hold may decrease in value or become illiquid, and the level of nonperforming loans, charge-offs and delinquencies could rise and require significant additional provisions for credit losses. Additional factors related to the credit quality of commercial loans include the quality of the management of the business and the borrower's ability both to properly evaluate changes in the supply and demand characteristics affecting our market for products and services and to effectively respond to those changes. Additional factors related to the credit quality of commercial real estate loans include tenant vacancy rates and the quality of management of the property.

Our risk management practices, such as monitoring the concentration of our loans within specific industries and our credit approval, review and administrative practices may not adequately reduce credit risk, and our credit administration personnel, policies and procedures may not adequately adapt to changes in economic or any other conditions affecting customers and the quality of the loan portfolio. A failure to effectively measure and limit the credit risk associated with our loan portfolio may result in loan defaults, foreclosures and additional charge-offs, and may necessitate that we significantly increase our allowance for credit losses, each of which could adversely affect our net income. As a result, our inability to successfully manage credit risk could have an adverse effect on our business, financial condition and results of operations.

Because a significant portion of our loan portfolio is comprised of real estate loans, negative changes in the economy affecting real estate values and liquidity could impair the value of collateral securing our real estate loans and result in loan and other losses.

Real estate values in many Louisiana, Texas and Mississippi markets have experienced periods of fluctuation over the last five years, and the market value of real estate can fluctuate significantly in a short period of time. As of December 31, 2017, $1.98 billion, or 61.0%, of our total loans was comprised of loans with real estate as a primary component of collateral. We also make loans secured by real estate as a supplemental source of collateral. Adverse changes affecting real estate values and the liquidity of real estate in one or more of our markets could increase the credit risk associated with our loan portfolio, and could result in losses that adversely affect our business, financial condition, and results of operation. Negative changes in the economy affecting real estate values and liquidity in our market areas could significantly impair the value of property pledged as collateral on loans and affect our ability to sell the collateral upon foreclosure without a loss or additional losses. Collateral may have to be sold for less than the outstanding balance of the loan, which could result in losses on such loans. Such declines and

losses could have an adverse effect on our business, financial condition and results of operations. If real estate values decline, it is also more likely that we would be required to increase our allowance for loan losses, which could have an adverse effect on our business, financial condition and results of operations.

We rely heavily on our executive management team and other key employees, and the loss of any these individuals could adversely impact our business or reputation.

Our success depends in large part on the performance of our key personnel, as well as on our ability to attract, motivate and retain highly qualified senior and middle management and other skilled employees. Competition for employees is intense, and the process of locating key personnel with the combination of skills and attributes required to execute our business plan may be lengthy. We may not be successful in retaining our key employees, and the unexpected loss of services of one or more of our key personnel could have an adverse effect on our business because of their skills, knowledge of our primary markets, years of industry experience and the difficulty of promptly finding qualified replacement personnel. If the services of any of our key personnel should become unavailable for any reason, we may not be able to identify and hire qualified persons on terms acceptable to us, or at all, which could have an adverse effect on our business, financial condition and results of operations.

Our ability to attract and retain profitable bankers is critical to the success of our business strategy.

Our ability to retain and grow our loans, deposits and fee income depends upon the business generation capabilities, reputation and relationship management skills of our bankers. If we were to lose the services of any of our bankers, including profitable bankers employed by banks that we may acquire, to a new or existing competitor or otherwise, we may not be able to retain valuable relationships and some of our customers could choose to use the services of a competitor instead of our services.

Our growth strategy also relies on our ability to attract and retain additional profitable bankers. We may face difficulties in recruiting and retaining bankers of our desired caliber, including as a result of competition from other financial institutions. In particular, many of our competitors are significantly larger with greater financial resources, and may be able to offer more attractive compensation packages and broader career opportunities. Additionally, we may incur significant expenses and expend significant time and resources on training, integration and business development before we are able to determine whether a new banker will be profitable or effective. If we are unable to attract and retain profitable bankers, or if our bankers fail to meet our expectations in terms of customer relationships and profitability, we may be unable to execute our business strategy, which could have an adverse effect on our business, financial condition and results of operations.

The geographic concentration of our markets in Texas, Louisiana and Mississippi makes us more sensitive than our more geographically diversified competitors to adverse changes in the local economy.

Unlike larger financial institutions that are more geographically diversified, we are a regional banking franchise concentrated in the Interstate 20 Corridor between the Dallas/Fort Worth metropolitan area and Jackson, Mississippi, as well as in Houston, Texas. As of December 31, 2017, 39.6% of our total loans (by dollar amount) were made to borrowers who reside or conduct business in Texas, 32.6% attributable to Louisiana and 15.6% attributable to Mississippi, and substantially all of our real estate loans are secured by properties located in these states. A deterioration in local economic conditions or in the residential or commercial real estate markets could have an adverse effect on the quality of our portfolio, the demand for our products and services, the ability of borrowers to timely repay loans, and the value of the collateral securing loans. If the population, employment or income growth in one of our markets is negative or slower than projected, income levels, deposits and real estate development could be adversely impacted. Some of our larger competitors that are more geographically diverse may be better able to manage and mitigate risks posed by adverse conditions impacting only local or regional markets.

As a business operating in the financial services industry, our business and operations may be adversely affected in numerous and complex ways by weak economic conditions.

Our business and operations, which primarily consist of lending money to customers in the form of loans, borrowing money from customers in the form of deposits and investing in securities, are sensitive to general business and economic conditions in the U.S. Although the U.S. economy, as a whole, has improved moderately over the past several years, the business environment in which we operate continues to be impacted by the effects of the most recent recession. Uncertainty about the federal fiscal policymaking process, and the medium and long-term fiscal outlook of the federal government and U.S. economy, is a concern for businesses, consumers and investors in the U.S. In addition, economic conditions in foreign countries, including global political hostilities and uncertainty over the stability of the euro currency, could affect the stability of global financial markets, which could hinder domestic economic growth. The current economic environment is characterized by interest rates at historically low levels, which impacts our ability to attract deposits and to generate attractive earnings through our investment portfolio. All of these factors are detrimental to our business, and the interplay between these factors can be complex and unpredictable. Our business is also significantly affected by monetary and related policies of the U.S. government and its agencies. Changes in any of these policies are influenced by macroeconomic conditions and other factors that are beyond our control. Adverse economic conditions and government policy responses to such conditions could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our commercial real estate loan portfolio exposes us to risks that may be greater than the risks related to our other mortgage loans.

Our loan portfolio includes non-owner-occupied commercial real estate loans for individuals and businesses for various purposes, which are secured by commercial properties, as well as real estate construction and development loans. As of December 31, 2017, our non-owner-occupied commercial real estate loans totaled $662.2 million, or 20.4%, of our total loan portfolio. These loans typically involve repayment dependent upon income generated, or expected to be generated, by the property securing the loan in amounts sufficient to cover operating expenses and debt service, which may be adversely affected by changes in the economy or local market conditions. These loans expose us to greater credit risk than loans secured by residential real estate because the collateral securing these loans typically cannot be liquidated as easily as residential real estate because there are fewer potential purchasers of the collateral. Additionally, non-owner-occupied commercial real estate loans generally involve relatively large balances to single borrowers or related groups of borrowers. Accordingly, charge-offs on non-owner-occupied commercial real estate loans may be larger on a per loan basis than those incurred with our residential or consumer loan portfolios. Unexpected deterioration in the credit quality of our commercial real estate loan portfolio would require us to increase our provision for loan losses, which would reduce our profitability, and could materially adversely affect our business, financial condition and results of operations.

We engage in lending secured by real estate and may be forced to foreclose on the collateral and own the underlying real estate, subjecting us to the costs and potential risks associated with the ownership of the real property.

Since we originate loans secured by real estate, we may have to foreclose on the collateral property to protect our investment and may thereafter own and operate such property, in which case we would be exposed to the risks inherent in the ownership of real estate. As of December 31, 2017, we held $499,000 in other real estate owned. The amount that we, as a mortgagee, may realize after a default is dependent upon factors outside of our control, including, but not limited to general or local economic conditions, environmental cleanup liability, assessments, interest rates, real estate tax rates, operating expenses of the mortgaged properties, ability to obtain and maintain adequate occupancy of the properties, zoning laws, governmental and regulatory rules, and natural disasters. Our inability to manage the amount of costs or size of the risks associated with the ownership of real estate, or write-downs in the value of other real estate owned, could have an adverse effect on our business, financial condition and results of operations.

A large portion of our loan portfolio is comprised of commercial loans secured by receivables, inventory, equipment or other commercial collateral, the deterioration in value of which could expose us to credit losses.

As of December 31, 2017, approximately $989.2 million, or 30.5%, of our total loans were commercial loans to businesses. In general, these loans are collateralized by general business assets, including, among other things, accounts receivable, inventory and equipment and most are backed by a personal guaranty of the borrower or principal. These commercial loans are typically larger in amount than loans to individuals and, therefore, have the potential for larger losses on a single loan basis. Additionally, the repayment of commercial loans is subject to the ongoing business operations of the borrower. The collateral securing such loans generally includes movable property, such as equipment and inventory, which may decline in value more rapidly than we anticipate, exposing us to increased credit risk. In addition, a portion of our customer base, including customers in the energy and real estate business, may be exposed to volatile businesses or industries which are sensitive to commodity prices or market fluctuations, such as energy prices. Accordingly, negative changes in commodity prices and real estate values and liquidity could impair the value of the collateral securing these loans. Significant adverse changes in the economy or local market conditions in which our commercial lending customers operate could cause rapid declines in loan collectability and the values associated with general business assets resulting in inadequate collateral coverage that may expose us to credit losses and could adversely affect our business, financial condition and results of operations.

Our loan portfolio contains a number of large loans to certain borrowers, and deterioration in the financial condition of these borrowers could have a significant adverse impact on our asset quality.

Our growth over the past several years has been partially attributable to our ability to originate and retain relatively large loans given our asset size. As of December 31, 2017, our average loan size was approximately $295,000. Further, as of December 31, 2017, our 20 largest borrowing relationships represented 15.0% of our total outstanding loan portfolio, including mortgage loans held for sale, and 5.5% of our total commitments to extend credit. Along with other risks inherent in our loans, such as the deterioration of the underlying businesses or property securing these loans, the higher average size of our loans presents a risk to our lending operations. If any of our largest borrowers become unable to repay their loan obligations as a result of economic or market conditions or personal circumstances, our nonperforming loans and our provision for loan losses could increase significantly, which could have an adverse effect on our business, financial condition and results of operations.

Our allowance for loan losses may prove to be insufficient to absorb losses inherent in our loan portfolio.

Our experience in the banking industry indicates that some portion of our loans will not be fully repaid in a timely manner or at all. Accordingly, we maintain an allowance for loan losses that represents management’s judgment of probable losses and risks inherent in our loan portfolio. The level of the allowance reflects management’s continuing evaluation of general economic conditions, diversification and seasoning of the loan portfolio, historic loss experience, identified credit problems, delinquency levels and adequacy of collateral. The determination of the appropriate level of the allowance for loan losses is inherently highly subjective and requires us to make significant estimates of and assumptions regarding current credit risks and future trends, all of which may undergo material changes. Inaccurate management assumptions, deterioration of economic conditions affecting borrowers, new information regarding existing loans, identification of additional problem loans and other factors, both within and outside of our control, may require us to increase our allowance for loan losses. In addition, our regulators, as an integral part of their periodic examination, review the adequacy of our allowance for loan losses and may direct us to make additions to the allowance based on their judgments about information available to them at the time of their examination. Further, if actual charge-offs in future periods exceed the amounts allocated to the allowance for loan losses, we may need additional provision for loan losses to restore the adequacy of our allowance for loan losses. If we are required to materially increase our level of allowance for loan losses for any reason, such increases could have an adverse effect on our business, financial condition and results of operations.

Appraisals and other valuation techniques we use in evaluating and monitoring loans secured by real property, other real estate owned and repossessed personal property may not accurately describe the net value of the asset.

In considering whether to make a loan secured by real property, we generally require an appraisal of the property. However, an appraisal is only an estimate of the value of the property at the time the appraisal is made, and, as real estate values may change significantly in value in relatively short periods of time (especially in periods of heightened economic uncertainty), this estimate may not accurately describe the net value of the real property collateral after the loan is made. As a result, we may not be able to realize the full amount of any remaining indebtedness if we foreclose on and sell the relevant property. In addition, we rely on appraisals and other valuation techniques to establish the value of our other real estate owned, or OREO, and personal property that we acquire through foreclosure proceedings and to determine certain loan impairments. If any of these valuations are inaccurate, our consolidated financial statements may not reflect the correct value of our OREO, and our allowance for loan losses may not reflect accurate loan impairments. This could have an adverse effect on our business, financial condition or results of operations.

The amount of nonperforming and classified assets may increase significantly, resulting in additional losses, costs and expenses.

At December 31, 2017, we had a total of approximately $24.4 million of nonperforming assets, or approximately 0.59% of total assets. Total loans classified as "substandard," "doubtful" or "loss" as of December 31, 2017 were approximately $91.2 million, or approximately 2.2% of total assets.

An asset is generally considered "substandard" if it is inadequately protected by the current net worth and paying capacity of the borrower or of the collateral pledged, if any. Assets so classified must have one or more well-defined weaknesses that jeopardize the liquidation of the debt. "Substandard" assets include those characterized by the "distinct possibility" that we will sustain "some loss" if the deficiencies are not corrected. Assets classified as "doubtful" have all of the weaknesses inherent in those classified "substandard" with the added characteristic that the weaknesses present make "collection or liquidation in full," on the basis of currently existing facts, conditions, and values, "highly questionable and improbable." Assets classified as "loss" are those considered "uncollectible" and of such little value that their continuance as assets is not warranted. This classification does not mean that the asset has absolutely no recovery or salvage value, but rather that it is not practical or desirable to defer writing off this basically worthless asset even though partial recovery may be affected in the future.

Should the amount of nonperforming assets increase in the future, we may incur losses, and the costs and expenses to maintain such assets likewise can be expected to increase and potentially negatively affect earnings. An additional increase in losses due to such assets could have a material adverse effect on our business, financial condition and results of operations. Such effects may be particularly pronounced in a market of reduced real estate values and excess inventory.

Nonperforming assets can take significant time and resources to resolve.

Nonperforming assets adversely affect our net income in various ways. We generally do not record interest income on other real estate owned or on nonperforming loans, thereby adversely affecting our income and increasing loan administration costs. In addition, when we take collateral in foreclosures and similar proceedings, we are required to mark the related asset to the then fair market value of the collateral, which may ultimately result in a loss. An increase in the level of nonperforming assets increases our risk profile and may also impact the capital levels regulators believe are appropriate in light of the ensuing risk profile. While we seek to reduce problem assets through loan workouts, restructurings, and otherwise, decreases in the value of the underlying collateral, or in these borrowers' performance or financial condition, whether or not due to economic and market conditions beyond our control, could have a material effect on our business, financial condition and results of operations. In addition, the resolution of nonperforming assets can require significant commitments of time from management, which may materially and adversely impact their ability to perform their other responsibilities. We may not experience future increases in the value of nonperforming assets.

Sustained low oil prices, volatility in oil prices and downturns in the energy industry, including in Louisiana and Texas, could lead to increased credit losses in our energy portfolio and weaker demand for energy lending.

The energy industry is a significant sector in our markets in Louisiana and Texas. A downturn or lack of growth in the energy industry and energy-related business, including sustained low oil prices or the failure of oil prices to rise in the future, could adversely affect our business, financial condition and results of operations. Oil and gas prices declined significantly during 2014 and 2015, and, despite a subsequent partial rebound in 2016, the full impact to the U.S. economy, to banks in general, and to us, of these decreases and overall oil and gas price volatility is yet to be determined. As of December 31, 2017, our energy loans, which include loans to exploration and production companies, midstream companies and oilfield service companies totaled $54.3 million, or 1.6% of total loans, as compared to $151.0 million, or 4.7% of total loans as of December 31, 2016. In addition to our direct exposure to energy loans, we also have indirect exposure to energy prices, as some of our non-energy customers' businesses are directly affected by volatility with the oil and gas industry and energy prices. Prolonged or further pricing pressure on oil and gas could lead to increased credit stress in our energy portfolio, increased losses associated with our energy portfolio, increased utilization of our contractual obligations to extend credit and weaker demand for energy lending. Such a decline or general uncertainty resulting from continued volatility could have other adverse impacts, such as job losses in industries tied to energy, increased spending habits, lower borrowing needs, higher transaction deposit balances or a number of other effects that are difficult to isolate or quantify, particularly in states with significant dependence on the energy industry like Louisiana and Texas, all of which could have an adverse effect on our business, financial condition and results of operations.

The small to medium-sized businesses that we lend to may have fewer resources to weather adverse business developments, which may impair our borrowers' ability to repay loans.

We focus our business development and marketing strategy primarily on small to medium-sized businesses. Small to medium-sized businesses frequently have smaller market shares than their competition, may be more vulnerable to economic downturns, often need substantial additional capital to expand or compete and may experience substantial volatility in operating results, any of which may impair a borrower's ability to repay a loan. In addition, the success of a small and medium-sized business often depends on the management skills, talents and efforts of one or two people or a small group of people, and the death, disability or resignation of one or more of these people could have an adverse impact on the business and its ability to repay its loan. If general economic conditions negatively impact the markets in which we operate and small to medium-sized businesses are adversely affected or our borrowers are otherwise harmed by adverse business developments, this, in turn, could have an adverse effect on our business, financial condition and results of operations.

The borrowing needs of our customers may increase, especially during a challenging economic environment, which could result in increased borrowing against our contractual obligations to extend credit.

A commitment to extend credit is a formal agreement to lend funds to a customer as long as there is no violation of any condition established under the agreement. The actual borrowing needs of our customers under these credit commitments have historically been lower than the contractual amount of the commitments. A significant portion of these commitments expire without being drawn upon. Because of the credit profile of our customers, we typically have a substantial amount of total unfunded credit commitments, which is not reflected on our balance sheet. As of December 31, 2017, we had $1.15 billion in unfunded credit commitments to our customers. Actual borrowing needs of our customers may exceed our expectations, especially during a challenging economic environment when our customers' companies may be more dependent on our credit commitments due to the lack of available credit elsewhere, the increasing costs of credit, or the limited availability of financings from venture firms. This could adversely affect our liquidity, which could impair our ability to fund operations and meet obligations as they become due and could have a material adverse effect on our business, financial condition and results of operations.

We face significant competition to attract and retain customers, which could impair our growth, decrease our profitability or result in loss of market share.

We operate in the highly competitive banking industry and face significant competition for customers from bank and non-bank competitors, particularly regional and nationwide institutions, in originating loans, attracting deposits and providing other financial services. Our competitors are generally larger and may have significantly more resources, greater name recognition, and more extensive and established branch networks or geographic footprints than we do. Because of their scale, many of these competitors can be more aggressive than we can on loan and deposit pricing. Also, many of our non-bank competitors have fewer regulatory constraints and may have lower cost structures. We expect competition to continue to intensify due to financial institution consolidation; legislative, regulatory and technological changes; and the emergence of alternative banking sources.

Our ability to compete successfully will depend on a number of factors, including, among other things:

- our ability to develop, maintain and build long-term customer relationships based on top quality service, high ethical standards and safe, sound assets;
- our scope, relevance and pricing of products and services offered to meet customer needs and demands;
- the rate at which we introduce new products and services relative to our competitors;
- customer satisfaction with our level of service;
- our ability to expand our market position;
- industry and general economic trends; and
- our ability to keep pace with technological advances and to invest in new technology.

Increased competition could require us to increase the rates we pay on deposits or lower the rates we offer on loans, which could reduce our profitability. Our failure to compete effectively in our primary markets could cause us to lose market share and could have an adverse effect on our business, financial condition and results of operations.

Our ability to maintain our reputation is critical to the success of our business.

Our business plan emphasizes relationship banking. We have benefited from strong relationships with and among our customers. As a result, our reputation is one of the most valuable components of our business. Our growth over the past several years has depended on attracting new customers from competing financial institutions and increasing our market share, primarily by the involvement in our primary markets and word-of-mouth advertising, rather than on growth in the market for banking services in our primary markets. As such, we strive to enhance our reputation by recruiting, hiring and retaining employees who share our core values of being an integral part of the communities we serve and delivering superior service to our customers. If our reputation is negatively affected by the actions of our employees or otherwise, our existing relationships may be damaged. We could lose some of our existing customers, including groups of large customers who have relationships with each other, and we may not be successful in attracting new customers. Any of these developments could have an adverse effect on our business, financial condition and results of operations.

Our business has grown rapidly, and we may not be able to maintain our historical rate of growth, which could have an adverse effect on our ability to successfully implement our business strategy.

Our business has grown rapidly. Financial institutions that grow rapidly can experience significant difficulties as a result of rapid growth. Furthermore, our primary strategy focuses on organic growth, supplemented by acquisitions of banking teams or other financial institutions. We may be unable to execute on aspects of our growth strategy to sustain our historical rate of growth or we may be unable to grow at all. More specifically, we may be unable to generate sufficient new loans and deposits within acceptable risk and expense tolerances, obtain

the personnel or funding necessary for additional growth or find suitable banking teams or acquisition candidates. Various factors, such as economic conditions and competition, may impede or prohibit the growth of our operations, the opening of new branches, and the consummation of acquisitions. Further, we may be unable to attract and retain experienced bankers, which could adversely affect our growth. The success of our strategy also depends on our ability to effectively manage growth, which is dependent upon a number of factors, including our ability to adapt existing credit, operational, technology and governance infrastructure to accommodate expanded operations. If we fail to build infrastructure sufficient to support rapid growth or fail to implement one or more aspects of our strategy, we may be unable to maintain historical earnings trends, which could have an adverse effect on our business, financial condition and results of operations.

We may not be able to manage the risks associated with our anticipated growth and expansion through de novo branching.

Our business strategy includes evaluating strategic opportunities to grow through de novo branching, and we believe that banking location expansion has been meaningful to our growth since inception. De novo branching carries with it certain potential risks, including significant startup costs and anticipated initial operating losses; an inability to gain regulatory approval; an inability to secure the services of qualified senior management to operate the de novo banking location and successfully integrate and promote our corporate culture; poor market reception for de novo banking locations established in markets where we do not have a preexisting reputation; challenges posed by local economic conditions; challenges associated with securing attractive locations at a reasonable cost; and the additional strain on management resources and internal systems and controls. Failure to adequately manage the risks associated with our anticipated growth through de novo branching could have an adverse effect on our business, financial condition and results of operations.

We may pursue acquisitions in the future, which could expose us to financial, execution and operational risks.

Although we plan to continue to grow our business organically, we may from time to time consider acquisition opportunities that we believe complement our activities and have the ability to enhance our profitability. Our acquisition activities could be material to our business and involve a number of risks, including those associated with:

- the identification of suitable candidates for acquisition;
- the diversion of management attention from the operation of our existing business to identify, evaluate and negotiate potential transactions;
- the ability to attract funding to support additional growth within acceptable risk tolerances;
- the use of inaccurate estimates and judgments to evaluate credit, operations, management and market risks with respect to the target institution or assets;
- the ability to maintain asset quality;
- the adequacy of due diligence and the potential exposure to unknown or contingent liabilities related to the acquisition;
- the retention of customers and key personnel, including bankers;
- the timing and uncertainty associated with obtaining necessary regulatory approvals;
- the incurrence of an impairment of goodwill associated with an acquisition and adverse effects on our results of operations;
- the ability to successfully integrate acquired businesses; and
- the maintenance of adequate regulatory capital.

The market for acquisition targets is highly competitive, which may adversely affect our ability to find acquisition candidates that fit our strategy and standards at acceptable prices. We face significant competition in pursuing acquisition targets from other banks and financial institutions, many of which possess greater financial, human, technical and other resources than we do. Our ability to compete in acquiring target institutions will depend on our available financial resources to fund the acquisitions, including the amount of cash and cash equivalents we have and the liquidity and value of our common stock. In addition, increased competition may also drive up the acquisition consideration that we will be required to pay in order to successfully capitalize on attractive acquisition opportunities. To the extent that we are unable to find suitable acquisition targets, an important component of our growth strategy may not be realized.

Acquisitions of financial institutions also involve operational risks and uncertainties, such as unknown or contingent liabilities with no available manner of recourse, exposure to unexpected problems such as asset quality, the retention of key employees and customers, and other issues that could negatively affect our business. We may not be able to complete future acquisitions or, if completed, we may not be able to successfully integrate the operations, technology platforms, management, products and services of the entities that we acquire or to realize our attempts to eliminate redundancies. The integration process may also require significant time and attention from our management that would otherwise be directed toward servicing existing business and developing new business. Failure to successfully integrate the entities we acquire into our existing operations in a timely manner may increase our operating costs significantly and could have an adverse effect on our business, financial condition and results of operations. Further, acquisitions typically involve the payment of a premium over book and market values and, therefore, some dilution of our tangible book value and net income per common share may occur in connection with any future acquisition, and the carrying amount of any goodwill that we currently maintain or may acquire may be subject to impairment in future periods.

The markets in which we operate are susceptible to hurricanes and other natural disasters and adverse weather, which could result in a disruption of our operations and increases in loan losses.

A significant portion of our business is generated from markets that have been, and may continue to be, damaged by major hurricanes, floods, tropical storms, tornadoes and other natural disasters and adverse weather. Natural disasters can disrupt our operations, cause widespread property damage, and severely depress the local economies in which we operate. For example, in late August 2017, Hurricane Harvey, a Category 4 hurricane, caused extensive and costly damage across Southeast Texas, including the Houston metropolitan area, through catastrophic flooding and unprecedented damage to residences and businesses. We do not believe that Hurricane Harvey will have significant long-term effects on our business, financial condition or operations, although we are unable to predict with certainty the full impact of the storm on the markets in which we operate, including the adverse impact on our customers and our loan and deposit activities and credit exposures. If the economies in our primary markets experience an overall decline as a result of a natural disaster, adverse weather, or other disaster, demand for loans and our other products and services could be reduced. In addition, the rates of delinquencies, foreclosures, bankruptcies and loan losses may increase substantially, as uninsured property losses or sustained job interruption or loss may materially impair the ability of borrowers to repay their loans. Moreover, the value of real estate or other collateral that secures the loans could be materially and adversely affected by a disaster. A disaster could, therefore, result in decreased revenue and loan losses that could have an adverse effect on our business, financial condition and results of operations.

New lines of business, products, product enhancements or services may subject us to additional risks.

From time to time, we implement new lines of business, or offer new products and product enhancements as well as new services within our existing lines of business, and we will continue to do so in the future. There are substantial risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed. In implementing, developing or marketing new lines of business, products, product enhancements or services, we may invest significant time and resources, although we may not assign the appropriate level of resources or expertise necessary to make these new lines of business, products, product enhancements or services successful or to realize their expected benefits. Further, initial timetables for the introduction and development of new lines of business, products, product enhancements or services may not be achieved, and price and profitability targets may not prove feasible. External factors, such as compliance with regulations, competitive alternatives and

shifting market preferences, may also impact the ultimate implementation of a new line of business or offerings of new products, product enhancements or services. Furthermore, any new line of business, product, product enhancement or service could have a significant impact on the effectiveness of our system of internal controls. Failure to successfully manage these risks in the development and implementation of new lines of business or offerings of new products, product enhancements or services could have an adverse impact on our business, financial condition or results of operations.

We are dependent on the use of data and modeling in our management's decision-making and faulty data or modeling approaches could negatively impact our decision-making ability or possibly subject us to regulatory scrutiny in the future.

The use of statistical and quantitative models and other quantitative analyses is endemic to bank decision-making, and the employment of such analyses is becoming increasingly widespread in our operations. Liquidity stress testing, interest rate sensitivity analysis, and the identification of possible violations of anti-money laundering regulations are all examples of areas in which we are dependent on models and the data that underlies them. The use of statistical and quantitative models is also becoming more prevalent in regulatory compliance. While we are not currently subject to annual Dodd-Frank Act stress testing and the Comprehensive Capital Analysis and Review submissions, we currently utilize stress testing for capital, credit and liquidity purposes and anticipate that model-derived testing may become more extensively implemented by regulators in the future.

We anticipate data-based modeling will penetrate further into bank decision-making, particularly risk management efforts, as the capacities developed to meet rigorous stress testing requirements are able to be employed more widely and in differing applications. While we believe these quantitative techniques and approaches improve our decision-making, they also create the possibility that faulty data or flawed quantitative approaches could negatively impact our decision-making ability or, if we become subject to regulatory stress-testing in the future, adverse regulatory scrutiny. We seek to mitigate this risk by performing back-testing to analyze the accuracy of these techniques and approaches. Secondarily, because of the complexity inherent in these approaches, misunderstanding or misuse of their outputs could similarly result in suboptimal decision-making.

We may be required to repurchase mortgage loans in some circumstances, which could diminish our liquidity.

Historically, we have originated whole mortgage loans for sale in the secondary market. When mortgage loans are sold in the secondary market, we are required to make customary representations and warranties to the purchasers about the mortgage loans and the manner in which they were originated. The mortgage loan sale agreements require us to repurchase or substitute mortgage loans or indemnify buyers against losses, in the event we breach these representations and warranties. In addition, we may be required to repurchase mortgage loans as a result of early payment default of the borrower on a mortgage loan. With respect to loans that are originated by us through our broker or correspondents, the remedies available against the originating broker or correspondent, if any, may not be as broad as the remedies available to a purchaser of mortgage loans against us or the originating broker or correspondent, if any, may not have the financial capacity to perform remedies that otherwise may be available. Therefore, if a purchaser enforces their remedies against us, we may not be able to recover losses from the originating broker or correspondent. If repurchase and indemnity demands increase and such demands are valid claims, it could diminish our liquidity, which could have an adverse effect on our business, financial condition and results of operations. We were not required to repurchase during 2017, 2016 or 2015 any material amount of mortgage loans sold into the secondary market, although we were subject to and settled a material indemnification claim in the third quarter of 2017 related to loans sold into the secondary market by an entity we acquired in 2011.

Interest rate shifts could reduce net interest income.

The majority of our banking assets are monetary in nature and subject to risk from changes in interest rates. Like most financial institutions, our earnings and cash flows depend to a great extent upon the level of our net interest income, or the difference between the interest income we earn on loans, investments and other interest-earning assets, and the interest we pay on interest-bearing liabilities, such as deposits and borrowings. Changes in interest rates can increase or decrease our net interest income, because different types of assets and liabilities may react differently, and at different times, to market interest rate changes. When interest-bearing liabilities mature or

reprice more quickly, or to a greater degree than interest-earning assets in a period, an increase in interest rates could reduce net interest income. Similarly, when interest-earning assets mature or reprice more quickly, or to a greater degree than interest-bearing liabilities, falling interest rates could reduce net interest income. As of December 31, 2017, 54.5% of our earning assets and 73.9% of our interest-bearing liabilities were variable rate, where our variable rate liabilities reprice at a slower rate than our variable rate assets. Our interest sensitivity profile was asset sensitive as of December 31, 2017, meaning that we estimate our net interest income would increase from rising interest rates and decline with falling interest rates.

Additionally, an increase in interest rates may, among other things, reduce the demand for loans and our ability to originate loans and decrease loan repayment rates. A decrease in the general level of interest rates may affect us through, among other things, increased prepayments on our loan portfolio and increased competition for deposits. Accordingly, changes in the level of market interest rates affect our net yield on interest-earning assets, loan origination volume, loan portfolio and our overall results. Although our asset-liability management strategy is designed to control and mitigate exposure to the risks related to changes in market interest rates, those rates are affected by many factors outside of our control, including governmental monetary policies, inflation, deflation, recession, changes in unemployment, the money supply, international disorder and instability in domestic and foreign financial markets.

Changes in interest rates may change the value of our mortgage servicing rights portfolio, which may increase the volatility of our earnings.

As a result of our mortgage servicing business, we have a portfolio of mortgage servicing rights on unpaid principal balances of $2.18 billion at December 31, 2017. A mortgage servicing right is the right to service a mortgage loan - collect principal, interest and escrow amounts - for a fee. We measure and carry our entire residential mortgage servicing rights using the fair value measurement method. Fair value is determined as the present value of estimated future net servicing income, calculated based on a number of variables, including assumptions about the likelihood of prepayment by borrowers.

The primary risk associated with mortgage servicing rights is that in a declining interest rate environment, they will likely lose a substantial portion of their value as a result of higher than anticipated prepayments. Moreover, if prepayments are greater than expected, the cash we receive over the life of the mortgage loans would be reduced. Conversely, these assets generally increase in value in a rising interest rate environment to the extent that prepayments are slower than previously estimated. An increase in the size of our mortgage servicing rights portfolio may increase our interest rate risk. At December 31, 2017, our mortgage servicing rights had a fair value of $24.2 million, compared to $29.4 million at December 31, 2016. Changes in fair value of our mortgage servicing rights are recorded to earnings in each period. Depending on the interest rate environment, it is possible that the fair value of our mortgage servicing rights may be reduced in the future. If such changes in fair value significantly reduce the carrying value of our mortgage servicing rights, our business, financial condition and results of operations could be adversely affected.

A lack of liquidity could impair our ability to fund operations.

Liquidity is essential to our business, and we monitor our liquidity and manage our liquidity risk at the holding company and bank levels. We rely on our ability to generate deposits and effectively manage the repayment and maturity schedules of our loans and investment securities, respectively, to ensure that we have adequate liquidity to fund our operations. An inability to raise funds through deposits, borrowings, the sale of our investment securities, the sale of loans, and other sources could have a substantial negative effect on our liquidity. Our most important source of funds is deposits. Deposit balances can decrease when customers perceive alternative investments as providing a better risk/return tradeoff. If customers move money out of bank deposits and into other investments such as money market funds, we would lose a relatively low-cost source of funds, increasing our funding costs and reducing our net interest income and net income.

Other primary sources of funds consist of cash flows from operations, maturities and sales of investment securities, and proceeds from the issuance and sale of our equity and debt securities to investors. Additional liquidity is provided by the ability to borrow from the Federal Reserve Bank of Dallas and the Federal Home Loan

Bank of Dallas. We also may borrow funds from third-party lenders, such as other financial institutions. Our access to funding sources in amounts adequate to finance or capitalize our activities, or on terms that are acceptable to us, could be impaired by factors that affect us directly or the financial services industry or economy in general, such as disruptions in the financial markets or negative views and expectations about the prospects for the financial services industry. Our access to funding sources could also be affected by a decrease in the level of our business activity as a result of a downturn in our primary market area or by one or more adverse regulatory actions against us.

Any decline in available funding could adversely impact our ability to originate loans, invest in securities, meet our expenses, or to fulfill obligations such as repaying our borrowings or meeting deposit withdrawal demands, any of which could have a material adverse impact on our liquidity and could, in turn, have an adverse effect on our business, financial condition and results of operations. In addition, because our primary asset at the holding company level is the bank, our liquidity at the holding company level depends primarily on our receipt of dividends from the bank. If the bank is unable to pay dividends to us for any reason, we may be unable to satisfy our holding company level obligations, which include funding operating expenses, debt service and dividends on our SBLF preferred stock.

We may need to raise additional capital in the future, and if we fail to maintain sufficient capital, we may not be able to maintain regulatory compliance.

We face significant capital and other regulatory requirements as a financial institution. We may need to raise additional capital in the future to provide us with sufficient capital resources and liquidity to meet our commitments and business needs, which could include the possibility of financing acquisitions. In addition, we, on a consolidated basis, and Origin Bank, on a stand-alone basis, must meet certain regulatory capital requirements and maintain sufficient liquidity in such amounts as the regulators may require from time to time. Importantly, regulatory capital requirements could increase from current levels, which could require us to raise additional capital or reduce our operations. Even if we satisfy all applicable regulatory capital minimums, our regulators could ask us to maintain capital levels which are significantly in excess of those minimums. Our ability to raise additional capital depends on conditions in the capital markets, economic conditions and a number of other factors, including investor perceptions regarding the banking industry, market conditions and governmental activities, and on our financial condition and performance. Accordingly, we cannot assure you that we will be able to raise additional capital if needed or on terms acceptable to us. If we fail to maintain capital to meet regulatory requirements, we could be subject to enforcement actions or other regulatory consequences, which could have an adverse effect on our business, financial condition and results of operation.

By engaging in derivative transactions, we are exposed to additional credit and market risk.

We use interest rate swaps to help manage our interest rate risk from recorded financial assets and liabilities when they can be demonstrated to effectively hedge a designated asset or liability and the asset or liability exposes us to interest rate risk or risks inherent in customer related derivatives. We use other derivative financial instruments to help manage other economic risks, such as liquidity and credit risk, including exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates. Our derivative financial instruments are used to manage differences in the amount, timing, and duration of our known or expected cash receipts principally related to our fixed rate loan assets. Hedging interest rate risk is a complex process, requiring sophisticated models and routine monitoring, and is not a perfect science. As a result of interest rate fluctuations, hedged assets and liabilities will appreciate or depreciate in market value. The effect of this unrealized appreciation or depreciation will generally be offset by income or loss on the derivative instruments that are linked to the hedged assets and liabilities. By engaging in derivative transactions, we are exposed to credit and market risk. If the counterparty fails to perform, credit risk exists to the extent of the fair value gain in the derivative. Market risk exists to the extent that interest rates change in ways that are significantly different from what we expected when we entered into the derivative transaction. The existence of credit and market risk associated with our derivative instruments could adversely affect our net interest income and, therefore, could have an adverse effect on our business, financial condition and results of operations.

The fair value of our investment securities can fluctuate due to factors outside of our control.

As of December 31, 2017, the fair value of our portfolio of available for sale investment securities was approximately $404.5 million, which included a net unrealized gain of approximately $1.8 million. Factors beyond our control can significantly influence the fair value of securities in our portfolio and can cause potential adverse changes to the fair value of these securities. These factors include, but are not limited to, rating agency actions in respect of the securities, defaults by the issuer or with respect to the underlying securities, and changes in market interest rates and continued instability in the capital markets. Any of these factors, among others, could cause other-than-temporary impairments and realized or unrealized losses in future periods and declines in other comprehensive income, which could have an adverse effect on our business, results of operations, financial condition and future prospects. The process for determining whether impairment of a security is other-than-temporary often requires complex, subjective judgments about whether there has been a significant deterioration in the financial condition of the issuer, whether management has the intent or ability to hold a security for a period of time sufficient to allow for any anticipated recovery in fair value, the future financial performance and liquidity of the issuer and any collateral underlying the security, and other relevant factors.

If we fail to maintain an effective system of disclosure controls and procedures and internal control over financial reporting, we may not be able to accurately report our financial results or prevent fraud.

Ensuring that we have adequate disclosure controls and procedures, including internal control over financial reporting, in place so that we can produce accurate financial statements on a timely basis is costly and time-consuming and needs to be reevaluated frequently. Under applicable law, we must provide annual management assessments of the effectiveness of our internal control over financial reporting. Our management may conclude that our internal control over financial reporting is not effective due to our failure to cure any identified material weakness or otherwise. Moreover, even if our management concludes that our internal control over financial reporting is effective, our independent registered public accounting firm may not conclude that our internal control over financial reporting is effective. In the future, our independent registered public accounting firm may not be satisfied with our internal control over financial reporting or the level at which our controls are documented, designed, operated or reviewed, or it may interpret the relevant requirements differently from us. In addition, during the course of the evaluation, documentation and testing of our internal control over financial reporting, we may identify deficiencies that we may not be able to remediate in time to meet the deadline imposed by the Securities and Exchange Commission, or the SEC, for compliance with the requirements of Section 404 of the Sarbanes-Oxley Act. Any deficiencies in our internal control over financial reporting may also subject us to adverse regulatory consequences. If we fail to achieve and maintain the adequacy of our internal control over financial reporting, as these standards are modified, supplemented or amended from time to time, we may be unable to report our financial information on a timely basis, we may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with applicable law, and we may suffer adverse regulatory consequences or violate applicable listing standards. In addition, if we fail to achieve and maintain the adequacy of our internal control over financial reporting, we could experience a loss of investor confidence in the reliability of our financial statements.

Material weaknesses in our financial reporting or internal controls could result in a material misstatement in our financial statements and negatively affect investor confidence.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. In connection with the preparation and audit of our consolidated financial statements for the year ended December 31, 2016, we identified a material weakness in our internal control over financial reporting relating to the development of our allowance for loan losses, and we identified a material weakness in our internal control over financial reporting relating to the determination of our accounting for income taxes. The material weakness related to our allowance for loan losses resulted from deficient management review controls and process level controls that did not provide for timely adjustments or recognition of losses on energy loans impaired due to collateral deterioration and resulted in adjustments to our allowance for loan losses to record additional reserves and adjust qualitative factors. The material weakness related to our accounting

for income taxes resulted from inadequate controls surrounding the evaluation of deferred income tax assets and liabilities, including inadequate levels of monitoring and review, which resulted in an adjustment to our net deferred tax assets.

We have implemented measures that we believe are the appropriate actions to correct the material weaknesses. These measures include, among other things, the establishment of a formal allowance for loan loss review committee responsible for the review and approval of changes in modeling assumptions and oversight of the allowance calculation process; enhancements to our allowance for loan losses model to further disaggregate our loan pools to allow for greater precision in calculations and review based on specific risks; the enhancement of our tax provision model and the segregation of duties of preparation and review of the model; and the engagement of independent advisers to reassess the design of our internal control over financial reporting as well as additional personnel with experience in the ongoing identification, design and implementation of internal control over financial reporting. We will continue to periodically test and update, as necessary, our internal control systems, including our financial reporting controls.

While we believe these measures have mitigated the risk related to the aforementioned internal control material weaknesses, we cannot be certain that, at some point in the future, another material weakness will not be identified or our internal control systems will not fail to detect a matter they are designed to prevent, and failure to remedy such material weaknesses could result in a material misstatement in our financial statements and have a material adverse impact on our business, financial condition and results of operations. The identification of any additional material weakness could also result in investors losing confidence in our internal control systems and questioning our reported financial information, which, among other things, could have a negative impact on the trading price of our common stock. Additionally, we could become subject to increased regulatory scrutiny and a higher risk of stockholder litigation, which could result in significant additional expenses and require additional financial and management resources.

Our financial results depend on management's selection of accounting methods and certain assumptions and estimates.

The preparation of our financial statements requires us to make estimates and assumptions that affect the reported amounts of certain assets and liabilities, disclosure of contingent assets and liabilities and the reported amount of related revenues and expenses. Certain accounting policies are inherently based to a greater extent on estimates, assumptions and judgments of management and, as such, have a greater possibility of producing results that could be materially different than originally estimated. These critical accounting policies include the allowance for loan losses, accounting for income taxes, the determination of fair value for financial instruments, the impairment on tax credit investments and accounting for stock-based compensation. Management's judgment and the data relied upon by management may be based on assumptions that prove to be inaccurate, particularly in times of market stress or other unforeseen circumstances. Even if the relevant factual assumptions are accurate, our decisions may prove to be inadequate or inaccurate because of other flaws in the design or use of analytical tools used by management. Any such failures in our processes for producing accounting estimates and managing risks could have a material adverse effect on our business, financial condition and results of operations.

The obligations associated with being a public company will require significant resources and management attention.

As a public company, we will face increased legal, accounting, administrative and other costs and expenses that we have not incurred as a private company, particularly after we are no longer an emerging growth company. After the completion of this offering, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which requires that we file annual, quarterly and current reports with respect to our business and financial condition and proxy and other information statements, and the rules and regulations implemented by the SEC, the Sarbanes-Oxley Act, the Dodd-Frank Act, the PCAOB and the Nasdaq Stock Market, each of which imposes additional reporting and other obligations on public companies. As a public company, we will be required to:

- prepare and distribute periodic reports, proxy statements and other shareholder communications in compliance with the federal securities laws and rules;
- expand the roles and duties of our board of directors and committees thereof;
- maintain an internal audit function;
- institute more comprehensive financial reporting and disclosure compliance procedures;
- involve and retain to a greater degree outside counsel and accountants in the activities listed above;
- enhance our investor relations function;
- establish new internal policies, including those relating to trading in our securities and disclosure controls and procedures;
- retain additional personnel;
- comply with Nasdaq Stock Market listing standards; and
- comply with the Sarbanes-Oxley Act.

We expect these rules and regulations and changes in laws, regulations and standards relating to corporate governance and public disclosure, which have created uncertainty for public companies, to increase legal and financial compliance costs and make some activities more time consuming and costly. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. Our investment in compliance with existing and evolving regulatory requirements will result in increased administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities, which could have an adverse effect on our business, financial condition and results of operations. These increased costs could require us to divert a significant amount of money that we could otherwise use to expand our business and achieve our strategic objectives.

We have a continuing need for technological change, and we may not have the resources to effectively implement new technology, or we may experience operational challenges when implementing new technology.

The financial services industry is undergoing rapid technological changes with frequent introductions of new technology-driven products and services. The effective use of technology increases efficiency and enables financial institutions to reduce costs as well as service our customers better. Our future success will depend, at least in part, upon our ability to address the needs of our customers by using technology to provide products and services that will satisfy customer demands for convenience as well as to create additional efficiencies in our operations as we continue to grow and expand our products and service offerings. We may experience operational challenges as we implement these new technology enhancements or products, which could result in us not fully realizing the

anticipated benefits from such new technology or require us to incur significant costs to remedy any such challenges in a timely manner.

Many of our larger competitors have substantially greater resources to invest in technological improvements. As a result, they may be able to offer additional or superior products compared to those that we will be able to provide, which would put us at a competitive disadvantage. Accordingly, we may lose customers seeking new technology-driven products and services to the extent we are unable to provide such products and services.

We rely on third parties to provide key components of our business infrastructure, and a failure of these parties to perform for any reason could disrupt our operations.

Third parties provide key components of our business infrastructure such as data processing, internet connections, network access, core application processing, statement production and account analysis. Our business depends on the successful and uninterrupted functioning of our information technology and telecommunications systems and third-party servicers. The failure of these systems, or the termination of a third-party software license or service agreement on which any of these systems is based, could interrupt our operations. Because our information technology and telecommunications systems interface with and depend on third-party systems, we could experience service denials if demand for such services exceeds capacity or such third-party systems fail or experience interruptions. Replacing vendors or addressing other issues with our third-party service providers could entail significant delay and expense. If we are unable to efficiently replace ineffective service providers, or if we experience a significant, sustained or repeated, system failure or service denial, it could compromise our ability to operate effectively, damage our reputation, result in a loss of customer business, and subject us to additional regulatory scrutiny and possible financial liability, any of which could have an adverse effect on our business, financial condition and results of operations.

We could be subject to losses, regulatory action or reputational harm due to fraudulent and negligent acts on the part of loan applicants, our employees and vendors.

In deciding whether to extend credit or enter into other transactions with clients and counterparties, and the terms of any such transaction, we may rely on information furnished by or on behalf of clients and counterparties, including financial statements, property appraisals, title information, employment and income documentation, account information and other financial information. We may also rely on representations of clients and counterparties as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. Any such misrepresentation or incorrect or incomplete information, whether fraudulent or inadvertent, may not be detected prior to funding. In addition, one or more of our employees or vendors could cause a significant operational breakdown or failure, either as a result of human error or where an individual purposefully sabotages or fraudulently manipulates our loan documentation, operations or systems. Whether a misrepresentation is made by the applicant or another third party, we generally bear the risk of loss associated with the misrepresentation. A loan subject to a material misrepresentation is typically unsellable or subject to repurchase if it is sold prior to detection of the misrepresentation. The sources of the misrepresentations may also be difficult to locate, and we may be unable to recover any of the monetary losses we may suffer as a result of the misrepresentations. Any of these developments could have an adverse effect on our business, financial condition and results of operations.

Unauthorized access, cyber-crime and other threats to data security may require significant resources, harm our reputation, and otherwise cause harm to our business.

We necessarily collect, use and hold personal and financial information concerning individuals and businesses with which we have a banking relationship. Threats to data security, including unauthorized access, and cyber-attacks, rapidly emerge and change, exposing us to additional costs for protection or remediation and competing time constraints to secure our data in accordance with customer expectations and statutory and regulatory privacy and other requirements. It is difficult or impossible to defend against every risk being posed by changing technologies, as well as criminal intent on committing cyber-crime. Increasing sophistication of cyber-criminals and terrorists make keeping up with new threats difficult and could result in a breach. Controls employed by our information technology department and our other employees and vendors could prove inadequate. We could also

experience a breach due to intentional or negligent conduct on the part of employees or other internal sources, software bugs or other technical malfunctions, or other causes. As a result of any of these threats, our customer accounts may become vulnerable to account takeover schemes or cyber-fraud. Our systems and those of our third party vendors may also become vulnerable to damage or disruption due to circumstances beyond our or their control, such as from catastrophic events, power anomalies or outages, natural disasters, network failures, and viruses and malware.

A breach of our security that results in unauthorized access to our data could expose us to a disruption or challenges relating to our daily operations as well as to data loss, litigation, damages, fines and penalties, significant increases in compliance costs, and reputational damage, any of which could have an adverse effect on our business, results of operations, financial condition and future prospects.

We are subject to environmental liability risk associated with our lending activities.

In the course of our business, we may purchase real estate, or we may foreclose on and take title to real estate. As a result, we could be subject to environmental liabilities with respect to these properties. We may be held liable to a governmental entity or to third parties for property damage, personal injury, investigation and clean-up costs incurred by these parties in connection with environmental contamination or may be required to investigate or clean up hazardous or toxic substances or chemical releases at a property. The costs associated with investigation or remediation activities could be substantial. In addition, if we are the owner or former owner of a contaminated site, we may be subject to common law claims by third parties based on damages and costs resulting from environmental contamination emanating from the property. Any significant environmental liabilities could cause an adverse effect on our business, financial condition and results of operations.

We are subject to claims and litigation pertaining to intellectual property.

Banking and other financial services companies, such as ours, rely on technology companies to provide information technology products and services necessary to support their day-to-day operations. Technology companies frequently enter into litigation based on allegations of patent infringement or other violations of intellectual property rights. In addition, patent holding companies seek to monetize patents they have purchased or otherwise obtained. Competitors of our vendors, or other individuals or companies, may from time to time claim to hold intellectual property sold to us by our vendors. Such claims may increase in the future as the financial services sector becomes more reliant on information technology vendors. The plaintiffs in these actions frequently seek injunctions and substantial damages.

Regardless of the scope or validity of such patents or other intellectual property rights, or the merits of any claims by potential or actual litigants, we may have to engage in protracted litigation. Such litigation is often expensive, time-consuming, disruptive to our operations and distracting to management. If we are found to infringe one or more patents or other intellectual property rights, we may be required to pay substantial damages or royalties to a third party. In certain cases, we may consider entering into licensing agreements for disputed intellectual property, although no assurance can be given that such licenses can be obtained on acceptable terms or that litigation will not occur. These licenses may also significantly increase our operating expenses. If legal matters related to intellectual property claims were resolved against us or settled, we could be required to make payments in amounts that could have an adverse effect on our business, financial condition and results of operations.

We may be adversely affected by the soundness of other financial institutions.

Our ability to engage in routine funding transactions could be adversely affected by the actions and commercial soundness of other financial institutions. Financial services companies are interrelated as a result of trading, clearing, counterparty, and other relationships. We have exposure to different industries and counterparties, and through transactions with counterparties in the financial services industry, including broker-dealers, commercial banks, investment banks, and other financial intermediaries. In addition, we participate in loans originated by other institutions, and we participate in syndicated transactions (including shared national credits) in which other lenders serve as the lead bank. As a result, defaults by, declines in the financial condition of, or even rumors or questions about, one or more financial institutions, financial service companies or the financial services industry generally,

may lead to market-wide liquidity, asset quality or other problems and could lead to losses or defaults by us or by other institutions. These problems, losses or defaults could have an adverse effect on our business, financial condition and results of operations.

Risks Related to the Regulation of Our Industry

We operate in a highly regulated environment and the laws and regulations that govern our operations, corporate governance, executive compensation and accounting principles, or changes in them, or our failure to comply with them, could subject us to regulatory action or penalties.

We are subject to extensive regulation, supervision and legal requirements that govern almost all aspects of our operations. These laws and regulations are not intended to protect our shareholders. Rather, these laws and regulations are intended to protect customers, depositors, the Deposit Insurance Fund and the overall financial stability of the U.S., and not shareholders or counterparties. These laws and regulations, among other matters, prescribe minimum capital requirements, impose limitations on the business activities in which we can engage, limit the dividends or distributions that Origin Bank can pay to us, and that we can pay to our shareholders, and impose certain specific accounting requirements on us that may be more restrictive and may result in greater or earlier charges to earnings or reductions in our capital than GAAP would require. Compliance with laws and regulations can be difficult and costly, and changes to laws and regulations often impose additional compliance costs. Our failure to comply with these laws and regulations, even if the failure follows good faith effort or reflects a difference in interpretation, could subject us to restrictions on our business activities, fines and other penalties, any of which could adversely affect our results of operations, capital base and the price of our securities. Further, any new laws, rules and regulations could make compliance more difficult or expensive. All of these laws and regulations, and the supervisory framework applicable to our industry, could have a material adverse effect on our business, financial condition, and results of operations.

The ongoing implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, could require significant management attention and resources and subject us to more stringent regulatory requirements.

On July 21, 2010, the Dodd-Frank Act was signed into law, and the process of implementation is ongoing. The Dodd-Frank Act imposes significant regulatory and compliance changes on many industries, including ours. There remains significant uncertainty surrounding the manner in which the provisions of the Dodd-Frank Act will ultimately be implemented by the various regulatory agencies and the full extent of the impact of the requirements on our operations is unclear, especially in light of the Trump administration's executive order calling for a full review of the Dodd-Frank Act and the regulations promulgated under it. The changes resulting from the Dodd-Frank Act may impact the profitability of our business activities, require changes to certain of our business practices, require the development of new compliance infrastructure, impose upon us more stringent capital, liquidity and leverage requirements or otherwise adversely affect our business. These changes may also require us to invest significant management attention and resources to evaluate and make any changes necessary to comply with new statutory and regulatory requirements. Failure to comply with the new requirements or with any future changes in laws or regulations could adversely affect our business, financial condition and results of operations.

Federal and state banking agencies periodically conduct examinations of our business, including compliance with laws and regulations, and our failure to comply with any supervisory actions to which we are or become subject as a result of such examinations could result in regulatory action or penalties.

The Federal Reserve and the Louisiana Office of Financial Institutions periodically conduct examinations of our business, including our compliance with laws and regulations. If, as a result of an examination, a federal or state banking agency were to determine that our financial condition, capital resources, asset quality, earnings prospects, management, liquidity or other aspects of any of our operations had become unsatisfactory, or that we or Origin Bank were in violation of any law or regulation, it may take a number of different remedial actions as it deems appropriate. These actions include the power to enjoin “unsafe or unsound” practices, to require affirmative action to correct any conditions resulting from any violation or practice, to issue an administrative order that can be judicially enforced, to direct an increase in our capital, to restrict our growth, to assess civil monetary penalties

against us or Origin Bank or our respective officers or directors, to remove officers and directors and, if it is concluded that such conditions cannot be corrected or there is an imminent risk of loss to depositors, to terminate Origin Bank's deposit insurance and place it into receivership or conservatorship. Any such regulatory action could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are subject to stringent capital requirements, which may result in lower returns on equity, require us to raise additional capital, limit growth opportunities or result in regulatory restrictions.

Beginning January 1, 2015, we became subject to new rules designed to implement the recommendations with respect to regulatory capital standards, commonly known as Basel III, approved by the international Basel Committee on Banking Supervision. The rules established a new regulatory capital standard based on common equity tier 1, increase the minimum tier 1 risk-based capital ratio, and impose a capital conservation buffer of at least 2.5% of common equity tier 1 capital above the new minimum regulatory capital ratios, when fully phased in on January 1, 2019. The rules also changed the manner in which a number of our regulatory capital components are calculated, including deferred tax assets, and the risk weights applicable to certain asset categories. The Basel III rules generally require us to maintain greater amounts of regulatory capital than we were required to maintain prior to implementation of such rules and may also limit or restrict how we utilize our capital. Increased regulatory capital requirements (and the associated compliance costs) whether due to the adoption of new laws and regulations, changes in existing laws and regulations, or more expansive or aggressive interpretations of existing laws and regulations, may require us to raise additional capital, or impact our ability to repurchase shares of capital stock, pay dividends or pay compensation to our executives, which could have a material and adverse effect on our business, financial condition, results of operations and the value of our common stock. If Origin Bank does not meet minimum capital requirements, it will be subject to prompt corrective action by the Federal Reserve. Prompt corrective action can include progressively more restrictive constraints on operations, management and capital distributions. Failure to exceed the capital conservation buffer will result in certain limitations on dividends, capital repurchases, and discretionary bonus payments to executive officers. While we are not subject to formal capital planning requirements at our size, we have informally submitted a comprehensive capital plan to our regulators for review. Even if we satisfy the objectives of our capital plan and meet minimum capital requirements, it is possible that our regulators may ask us to raise additional capital. For additional discussion regarding our capital requirements, please see "Supervision and Regulation."

New activities and expansion require regulatory approvals, and failure to obtain them may restrict our growth.

From time to time, we may complement and expand our business by pursuing strategic acquisitions of financial institutions and other complementary businesses. Generally, we must receive state and federal regulatory approval before we can acquire an FDIC-insured depository institution or related business. In determining whether to approve a proposed acquisition, federal banking regulators will consider, among other factors, the effect of the acquisition on competition, our financial condition, our future prospects, and the impact of the proposal on U.S. financial stability. The regulators also review current and projected capital ratios and levels, the competence, experience and integrity of management and its record of compliance with laws and regulations, the convenience and needs of the communities to be served, including the acquiring institution's record of compliance under the Community Reinvestment Act, or CRA, and the effectiveness of the acquiring institution in combating money laundering activities. Such regulatory approvals may not be granted on terms that are acceptable to us, or at all. We may also be required to sell branches as a condition to receiving regulatory approval, which condition may not be acceptable to us or, if acceptable to us, may reduce the benefit of any acquisition.

In addition to the acquisition of existing financial institutions, as opportunities arise, we plan to continue de novo branching as a part of our organic growth strategy. De novo branching and any acquisitions carry with them numerous risks, including the inability to obtain all required regulatory approvals. The failure to obtain these regulatory approvals for potential future strategic acquisitions and de novo branches could impact our business plans and restrict our growth.

We face a risk of noncompliance and enforcement action with the Bank Secrecy Act, other anti-money laundering statutes and regulations and sanctions regulations.

The Bank Secrecy Act, the USA PATRIOT Act of 2001, and other laws and regulations require financial institutions, among other duties, to institute and maintain an effective anti-money laundering program and file suspicious activity and currency transaction reports as appropriate. The federal Financial Crimes Enforcement Network is authorized to impose significant civil money penalties for violations of those requirements and has recently engaged in coordinated enforcement efforts with the individual federal banking regulators, state agencies and law enforcement officials, the U.S. Department of Justice, Drug Enforcement Administration, Office of Foreign Assets Control, or OFAC, and Internal Revenue Service. We are also subject to increased scrutiny of compliance with the rules enforced by OFAC. To comply with regulations, guidelines and examination procedures in these areas, we have dedicated significant resources to our anti-money laundering program and OFAC compliance. If our policies, procedures and systems are deemed deficient, we could be subject to liability, including fines and regulatory actions, which may include restrictions on our ability to pay dividends and inability to obtain regulatory approvals to proceed with certain aspects of our business plan, including acquisitions and *de novo* branching. Failure to maintain and implement adequate programs to combat money laundering and terrorist financing could also have serious reputational consequences for us.

We are subject to numerous laws designed to protect consumers, including fair lending laws, and failure to comply with these laws could lead to a wide variety of sanctions.

The Equal Credit Opportunity Act, the Fair Housing Act and other fair lending laws and regulations impose nondiscriminatory lending requirements on financial institutions. The Department of Justice and other federal agencies are responsible for enforcing these laws and regulations. A successful regulatory challenge to an institution's performance under fair lending laws and regulations could result in a wide variety of direct or indirect negative consequences, including damages and civil money penalties, injunctive relief, restrictions on mergers and acquisitions activity, restrictions on expansion, and restrictions on entering new business lines. Private parties may also have the ability to challenge an institution's performance under fair lending laws in private class action litigation. Such actions could have a material adverse effect on our business, financial condition, results of operations and prospects.

Failure by Origin Bank to perform satisfactorily on its Community Reinvestment Act evaluations could make it more difficult for our business to grow.

The performance of a bank under the Community Reinvestment Act, or CRA, in meeting the credit needs of its community is a factor that must be taken into consideration when the federal banking agencies evaluate applications related to mergers and acquisitions, as well as branch opening and relocations. If Origin Bank is unable to maintain at least a "Satisfactory" CRA rating, our ability to complete the acquisition of another financial institution or open a new branch will be adversely impacted. If Origin Bank received an overall CRA rating of less than "Satisfactory", the Federal Reserve would not re-evaluate its rating until its next CRA examination, which may not occur for several more years, and it is possible that a low CRA rating would not improve in the future.

Federal, state and local consumer lending laws may restrict our ability to originate certain mortgage loans, increase our risk of liability with respect to such loans, or increase the time and expense associated with the foreclosure process or prevent us from foreclosing at all.

Federal, state and local laws have been adopted that are intended to eliminate certain lending practices considered "predatory." These laws prohibit practices such as steering borrowers away from more affordable products, selling unnecessary insurance to borrowers, repeatedly refinancing loans and making loans without a reasonable expectation that the borrowers will be able to repay the loans irrespective of the value of the underlying property. It is our policy not to make predatory loans, but these laws create the potential for liability with respect to our lending and loan investment activities. They increase our cost of doing business and, ultimately, may prevent us from making certain loans and cause us to reduce the average percentage rate or the points and fees on loans that we do make.

Additionally, consumer protection initiatives or changes in state or federal law may substantially increase the time and expenses associated with the foreclosure process or prevent us from foreclosing at all. While historically the states in which we operate have had foreclosure laws that are favorable to lenders, a number of states in recent years have either considered or adopted foreclosure reform laws that make it substantially more difficult and expensive for lenders to foreclose on properties in default, and we cannot be certain that the states in which we operate will not adopt similar legislation in the future. Additionally, federal regulators have prosecuted a number of mortgage servicing companies for alleged consumer law violations. If new state or federal laws or regulations are ultimately enacted that significantly raise the cost of foreclosure or raise outright barriers, such could have an adverse effect on our business, financial condition and results of operation.

An expansion of federal, state and local regulations and/or the licensing of loan servicing, collections or other aspects of our business and our sales of loans to third parties may increase the cost of compliance and the risks of noncompliance and subject us to litigation.

We service consumer loans we hold on our balance sheet, as well as a material amount of consumer mortgage loans we have originated and sold to others. The servicing of consumer loans is subject to extensive regulation by federal, state and local governmental authorities as well as to various laws and judicial and administrative decisions imposing requirements and restrictions on those activities. The volume of new or modified laws and regulations has increased in recent years and, in addition, some individual municipalities have begun to enact laws that restrict loan servicing activities including delaying or temporarily preventing foreclosures or forcing the modification of certain mortgages. If regulators impose new or more restrictive requirements, we may incur additional significant costs to comply with such requirements which may further adversely affect us. In addition, were we to be subject to regulatory investigation or regulatory action regarding our loan modification and foreclosure practices, it could have an adverse effect on our business, financial condition and results of operation.

In addition, we have sold loans to third parties. In connection with these sales, we or certain of our subsidiaries or legacy companies make or have made various representations and warranties, breaches of which may result in a requirement that we repurchase the loans, or otherwise make whole or provide other remedies to counterparties. These aspects of our business or our failure to comply with applicable laws and regulations could possibly lead to: civil and criminal liability; loss of licensure; damage to our reputation in the industry; fines and penalties and litigation, including class action lawsuits; and administrative enforcement actions. Any of these outcomes could materially and adversely affect us.

Potential limitations on incentive compensation contained in proposed federal agency rulemaking may adversely affect our ability to attract and retain our highest performing employees.

In April 2011 and May 2016, the Federal Reserve and other federal financial agencies jointly published proposed rules designed to implement provisions of the Dodd-Frank Act prohibiting incentive compensation arrangements that would encourage inappropriate risk taking at covered financial institutions, which includes a bank or bank holding company with $1.00 billion or more in assets, such as us and Origin Bank. It cannot be determined at this time whether or when final rules will be adopted and whether compliance with any such rules will substantially affect the manner in which we structure compensation for our executives and other employees. Depending on the nature and application of the final rules, we may not be able to successfully compete with certain financial institutions and other companies that are not subject to some or all of the rules to retain and attract executives and other high performing employees. If this were to occur, relationships that we have established with our customers may be impaired, which could in turn adversely impact our business, financial condition and results of operations.

Increases in FDIC insurance premiums could adversely affect our earnings and results of operations.

The deposits of Origin Bank are insured by the FDIC up to legal limits and, accordingly, subject it to the payment of FDIC deposit insurance assessments. The bank’s regular assessments are determined by the level of its assessment base and its risk classification, which is based on its regulatory capital levels and the level of supervisory concern that it poses. Moreover, the FDIC has the unilateral power to change deposit insurance assessment rates and the manner in which deposit insurance is calculated and also to charge special assessments to FDIC-insured

institutions. The FDIC utilized all of these powers during the financial crisis for the purpose of restoring the reserve ratios of the Deposit Insurance Fund. Any future special assessments, increases in assessment rates or premiums, or required prepayments in FDIC insurance premiums could reduce our profitability or limit our ability to pursue certain business opportunities, which could materially and adversely affect our business, financial condition, and results of operations.

We are a financial holding company and must meet certain requirements in order to retain our financial holding company status, and the failure to do so could have an adverse effect on our ability to execute our business strategy.

Under Section 4(l) of the Bank Holding Company Act of 1956, as amended, and regulations of the Federal Reserve, as a financial holding company, we must comply with certain requirements to retain our status as a financial holding company, including among other things, a requirement that we and Origin Bank remain well capitalized and well managed. If the Federal Reserve finds that a financial holding company or any of its depository institution subsidiaries is not well capitalized or well managed, the Federal Reserve may order the financial holding company to take appropriate action, which may include ceasing to engage in certain financial activities within the meaning of the Bank Holding Company Act or requiring the financial holding company to divest ownership or control of any depository institution owned or controlled by the financial holding company. Such divestiture must be done in accordance with the terms and conditions established by the Federal Reserve. Any noncompliance by us or Origin Bank with the requirements to retain our status as a financial holding company could lead to regulatory action by the Federal Reserve, including loss of our status as a financial holding company or a requirement that we divest one or more of our bank and/or nonbank subsidiaries. Such a result could have an adverse effect on our ability to execute our business strategy, which in turn, could have an adverse effect on our business, financial condition and results of operations

The Federal Reserve may require us to commit capital resources to support Origin Bank.

Under longstanding Federal Reserve policy, which was codified by the Dodd-Frank Act, we are expected to act as a source of financial and managerial strength to Origin Bank and to commit resources to support the bank. Under this “source of strength” doctrine, the Federal Reserve may require us to make capital injections into Origin Bank at times when we may not be inclined to do so and may charge us with engaging in unsafe and unsound practices for failure to commit such resources. Accordingly, we could be required to provide financial assistance to Origin Bank if it experiences financial distress.

Such a capital injection may be required at a time when our resources are limited and we may be required to borrow the funds or to raise additional equity capital to make the required capital injection. In the event of our bankruptcy, the bankruptcy trustee will assume any commitment by us to a federal bank regulatory agency to maintain the capital of a subsidiary bank. Moreover, bankruptcy law provides that claims based on any such commitment will be entitled to a priority of payment over the claims of our general unsecured creditors, including the holders of any note obligations.

We are subject to commercial real estate lending guidance issued by the federal banking regulators that impacts our operations and capital requirements.

The federal banking regulators have issued guidance regarding concentrations in commercial real estate lending directed at institutions that have particularly high concentrations of commercial real estate loans within their lending portfolios. This guidance suggests that institutions whose commercial real estate loans exceed certain percentages of capital may have commercial real estate concentration risk and will be subject to further regulatory scrutiny with respect to their risk management practices for commercial real estate lending. Based on our commercial real estate concentration as of December 31, 2017, we believe that we are in compliance with the guidelines. However, increases in our commercial real estate lending, particularly as we expand into metropolitan markets and make more of these loans, could subject us to additional supervisory analysis. We cannot guarantee that any risk management practices we implement will be effective to prevent losses relating to our commercial real estate portfolio. Management has implemented controls to monitor our commercial real estate lending

concentrations, but we cannot predict the extent to which this guidance will impact our operations or capital requirements.

We are subject to laws regarding the privacy, information security and protection of personal information and any violation of these laws or another incident involving personal, confidential or proprietary information of individuals could damage our reputation and subject us to regulatory action or penalties.

Our business requires the collection and retention of large volumes of customer data, including personally identifiable information in various information systems that we maintain and in those maintained by third parties with whom we contract to provide data services. We also maintain important internal company data such as personally identifiable information about our employees and information relating to our operations. We are subject to complex and evolving laws and regulations governing the privacy and protection of personal information of individuals (including customers, employees, suppliers and other third parties). For example, our business is subject to the Gramm-Leach-Bliley Act which, among other things imposes certain limitations on our ability to share nonpublic personal information about our customers with nonaffiliated third parties; requires that we provide certain disclosures to customers about our information collection, sharing and security practices and afford customers the right to "opt out" of any information sharing by us with nonaffiliated third parties (with certain exceptions); and requires that we develop, implement and maintain a written comprehensive information security program containing appropriate safeguards based on our size and complexity, the nature and scope of our activities, and the sensitivity of customer information we process, as well as plans for responding to data security breaches. Various state and federal banking regulators and states have also enacted data security breach notification requirements with varying levels of individual, consumer, regulatory or law enforcement notification in certain circumstances in the event of a security breach. Ensuring that our collection, use, transfer and storage of personal information complies with all applicable laws and regulations can increase our costs. Furthermore, we may not be able to ensure that all of our clients, suppliers, counterparties and other third parties have appropriate controls in place to protect the confidentiality of the information that they exchange with us, particularly where such information is transmitted by electronic means. If personal, confidential or proprietary information of customers or others were to be mishandled or misused (in situations where, for example, such information was erroneously provided to parties who are not permitted to have the information, or where such information was intercepted or otherwise compromised by third parties), we could be exposed to litigation or regulatory sanctions under personal information laws and regulations. Concerns regarding the effectiveness of our measures to safeguard personal information, or even the perception that such measures are inadequate, could cause us to lose customers or potential customers for our products and services and thereby reduce our revenues. Accordingly, any failure or perceived failure to comply with applicable privacy or data protection laws and regulations may subject us to inquiries, examinations and investigations that could result in requirements to modify or cease certain operations or practices or in significant liabilities, fines or penalties, and could damage our reputation and otherwise adversely affect our operations and financial condition.

Risks Related to this Offering and an Investment in Our Common Stock

An active, liquid market for our common stock may not develop or be sustained following this offering.

Before this offering, there has been no established public market for our common stock. We have applied to have our common stock listed on the Nasdaq Global Select Market under the symbol "OBNK", but our application may not be approved. Even if approved, an active, liquid trading market for our common stock may not develop or be sustained following this offering. The initial public offering price for our common stock will be determined by negotiations between us and the representatives of the underwriters and may not be indicative of prices that will prevail in the open market following this offering. A public trading market having the desired characteristics of depth, liquidity and orderliness depends upon the presence in the marketplace and independent decisions of willing buyers and sellers of our common stock, over which we have no control. Without an active, liquid trading market for our common stock, shareholders may not be able to sell their shares at the volume, prices and times desired. Moreover, the lack of an established market could have an adverse effect on the value of our common stock.

The market price of our common stock may be subject to substantial fluctuations, which may make it difficult for you to sell your shares at the volume, prices and times desired.

The market price of our common stock may be highly volatile, which may make it difficult for you to resell your shares at the volume, prices and times desired. There are many factors that may impact the market price and trading volume of our common stock, including, without limitation:

- actual or anticipated fluctuations in our operating results, financial condition or asset quality;
- changes in economic or business conditions;
- the effects of, and changes in, trade, monetary and fiscal policies, including the interest rate policies of the Federal Reserve, or in laws or regulations affecting us;
- the public reaction to our press releases, our other public announcements and our filings with the SEC;
- changes in accounting standards, policies, guidance, interpretations or principles;
- the number of securities analysts covering us;
- publication of research reports about us, our competitors, or the financial services industry generally, or changes in, or failure to meet, securities analysts' estimates of our financial and operating performance, or lack of research reports by industry analysts or ceasing of coverage;
- changes in market valuations or earnings of companies that investors deem comparable to us
- the trading volume of our common stock;
- future issuances of our common stock or other securities;
- future sales of our common stock by us or our directors, executive officers or significant shareholders
- additions or departures of key personnel;
- perceptions in the marketplace regarding our competitors and us;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving our competitors or us;
- other economic, competitive, governmental, regulatory and technological factors affecting our operations, pricing, products and services; and
- other news, announcements or disclosures (whether by us or others) related to us, our competitors, our core market or the financial services industry.

In particular, the realization of any of the risks described in this "Risk Factors" section of this prospectus could have a material adverse effect on the market price of our common stock and cause the value of your investment to decline. The stock market and, in particular, the market for financial institution stocks have experienced substantial fluctuations in recent years, which in many cases have been unrelated to the operating performance and prospects of particular companies. In addition, significant fluctuations in the trading volume in our common stock may cause significant price variations to occur. Increased market volatility could have an adverse effect on the market price of our common stock, which could make it difficult to sell your shares at the volume, prices and times desired.

Future sales or the availability for sale of substantial amounts of our common stock in the public market could adversely affect the prevailing market price of our common stock and could impair our ability to raise capital through future sales of equity securities.

Our articles of incorporation authorize us to issue up to 50,000,000 shares of common stock, of which will be outstanding upon consummation of this offering (or shares if the underwriters exercise their option to purchase additional shares in full). This number includes shares that we are selling in this offering (or shares if the underwriters exercise their option to purchase additional shares in full), which will be freely transferable without restriction or further registration under the Securities Act of 1933, as amended, or the Securities Act. Holders of approximately % of the shares of our common stock outstanding prior to this offering, including all of our executive officers and directors, have agreed not to sell any shares of our common stock for a period of at least 180 days from the date of the Underwriting Agreement, subject to certain exceptions. See "Underwriting." Following the expiration of the applicable lock-up period, all of these shares will be eligible for resale under Rule 144 of the Securities Act, subject to any remaining holding period requirements and, if applicable, volume limitations. The remaining shares of common stock outstanding prior to this offering are not subject to lock-up agreements and substantially all of such shares have been held by our non-affiliates for at least one year and therefor may be freely sold by such persons upon the completion of this offering. See "Shares Eligible for Future Sale" for a discussion of the shares of our common stock that may be sold into the public market in the future.

In addition, we may issue shares of our common stock or other securities from time to time as consideration for future acquisitions and investments and under compensation and incentive plans. If any such acquisition or investment is significant, the number of shares of our common stock, or the number or aggregate principal amount, as the case may be, of other securities that we may issue may in turn be substantial. We may also grant registration rights covering those shares of our common stock or other securities in connection with any such acquisitions and investments.

We cannot predict the size of future issuances of our common stock or the effect, if any, that future issuances and sales of our common stock will have on the market price of our common stock. Sales of substantial amounts of our common stock (including shares of our common stock issued in connection with an acquisition or under a compensation or incentive plan), or the perception that such sales could occur, may adversely affect prevailing market prices for our common stock and could impair our ability to raise capital through future sales of our securities.

Investors in this offering will experience immediate and substantial dilution.

If you purchase common stock in this offering, you will pay more for your shares than the net tangible book value per share immediately prior to the completion of the offering. As a result of the offering and the termination of the repurchase liability under our ESOP, you will incur immediate dilution of $ per share, representing the difference between the initial public offering price of $ per share (the midpoint of the range set forth on the cover page of this prospectus) and our as adjusted net tangible book value per share. Accordingly, if we were liquidated at our as-adjusted net tangible book value, you would not receive the full amount of your investment. See “Dilution.”

We have significant investors whose individual interests may differ from yours.

In December 2012, we completed a private placement of our common stock and our Series D preferred stock, in which we raised gross proceeds of approximately $85.0 million. In November 2016, we completed an additional private placement of our common stock and Series D preferred stock, in which we raised gross proceeds of approximately $45.0 million. As a result of these private placements, a significant portion of our outstanding equity is currently held by three separate institutional investors through seven separate funds. Collectively, these investment firms beneficially owned approximately 22.6% of our outstanding voting stock as of December 31, 2017. In addition, as of December 31, 2017, all of the outstanding shares of our Series D preferred stock are held by three investors affiliated with Pine Brook Road Associates, L.P. (Pine Brook Capital Partners (Cayman), L.P., Pine Brook Capital Partners, L.P., and Pine Brook Capital Partners (SSP Offshore) II, L.P.), who we refer to collectively as Pine

Brook. Subject to certain percentage ownership limitations, Pine Brook may elect to convert its shares of our Series D preferred stock into shares of our voting common stock at any time.

These institutional investors will have a significant level of influence because of their level of ownership, including a greater ability than you and our other shareholders to influence the election of directors and the potential outcome of other matters submitted to a vote of our shareholders, such as mergers, the sale of substantially all of our assets and other extraordinary corporate matters. These investors also have certain rights, such as board representation rights, contractual preemptive rights, access rights and registration rights that our other shareholders do not have. The interests of these investors could conflict with the interests of our other shareholders, including you, and any future transfer by these investors of their shares of preferred or common stock to other investors who have different business objectives could have a material adverse effect on our business, results of operations, financial condition and the market value of our common stock.

We have broad discretion in the use of the net proceeds from this offering, and our use of those proceeds may not yield a favorable return on your investment.

We intend to use $48.3 million of the net proceeds from this offering to redeem all of our outstanding SBLF preferred stock. We intend to use the remaining net proceeds from the sale of the shares in the offering, along with available cash, for general corporate purposes, which may include the support of our balance sheet growth, the acquisition of other banks or financial institutions or other complementary businesses to the extent such opportunities arise, and the maintenance of our capital and liquidity ratios, and the ratios of our bank, at acceptable levels. We have not specifically allocated the amount of net proceeds that will be used for these purposes, and our management will have broad discretion over how these proceeds are used and could spend the proceeds in ways with which you may not agree. In addition, we may not use the proceeds of this offering effectively or in a manner that increases our market value or enhances our profitability. We have not established a timetable for the effective deployment of the proceeds, and we cannot predict how long it will take to deploy the proceeds. Investing the offering proceeds in securities until we are able to deploy the proceeds will provide lower yields than we generally earn on loans, which may have an adverse effect on our profitability.

The rights of our common shareholders are generally subordinate to the rights of the holders of our SBLF and any debt securities that we may issue and may be subordinate to the holders of any other series of preferred stock that we may issue in the future.

We have issued 48,260 shares of our SBLF preferred stock to the U.S. Treasury in connection with our participation in the Small Business Lending Fund program. In addition, we have assumed an aggregate of $10.8 million in indebtedness in the form of junior subordinated debentures. Our existing indebtedness is, and any future indebtedness that we may incur will be, senior to our common stock. Additionally, as described above, while we intend to redeem all of our outstanding SBLF preferred stock following the consummation of this offering, our SBLF preferred stock has certain rights that are senior to our common stock. As a result, we must make payments on our SBLF preferred stock and indebtedness before any dividends can be paid on our common stock, and, in the event of our bankruptcy, dissolution or liquidation, the holders of our SBLF preferred stock and any indebtedness must be satisfied in full before any distributions can be made to the holders of our common stock.

Our board of directors has the authority to issue in the aggregate up to 2,000,000 shares of preferred stock, and to determine the terms of each issue of preferred stock and any indebtedness, without shareholder approval. Accordingly, you should assume that any shares of preferred stock and any indebtedness that we may issue in the future will also be senior to our common stock. As a result, holders of our common stock bear the risk that our future issuances of debt or equity securities or our incurrence of other borrowings may negatively affect the market price of our common stock.

We are an "emerging growth company," and the reduced reporting requirements applicable to emerging growth companies may make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act. For as long as we continue to be an emerging growth company we are eligible to take advantage of certain exemptions from various reporting

requirements that are applicable to other public companies that are not "emerging growth companies." These include, without limitation, an exemption from the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced financial reporting requirements, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved.

We could be an emerging growth company until December 31, 2023, although we could lose that status sooner if our gross revenues exceed $1.07 billion, if we issue more than $1.07 billion in non-convertible debt in a three year period, or if the market value of our common stock held by non-affiliates exceeds $700.0 million as of any June 30 before that time, in which case we would no longer be an emerging growth company as of the following December 31. Investors may find our common stock less attractive if we rely on these exemptions, which may result in a less active trading market and increased volatility in our stock price.

Our dividend policy may change without notice, and our future ability to pay dividends is subject to restrictions.

Holders of our common stock are entitled to receive only such cash dividends as our board of directors may declare out of funds legally available for the payment of dividends. Although we have consistently paid quarterly cash dividends on our common stock since 1997, we have no obligation to continue paying dividends, and we may change our dividend policy at any time without notice to our shareholders. Our ability to pay dividends may also be limited on account of our outstanding indebtedness or SBLF preferred stock, as we generally must make payments on our junior subordinated debentures and our outstanding indebtedness before any dividends can be paid on our common stock. In addition, under the terms of our SBLF preferred stock, the failure to pay dividends on the SBLF preferred stock would limit our ability to pay dividends on our common stock in the current and the next three calendar quarters. Finally, because our primary asset is our investment in the stock of Origin Bank, we are dependent upon dividends from the bank to pay our operating expenses, satisfy our obligations and pay dividends on our common stock, and the bank's ability to pay dividends on its common stock will substantially depend upon its earnings and financial condition, liquidity and capital requirements, the general economic and regulatory climate and other factors deemed relevant by its board of directors. There are numerous laws and banking regulations and guidance that limit our and Origin Bank's ability to pay dividends. See "Dividend Policy" and "Supervision and Regulation."

Our corporate governance documents, and certain corporate and banking laws applicable to us, could make a takeover more difficult.

Certain provisions of our articles of incorporation and bylaws, each as amended and restated, and corporate and federal banking laws, could make it more difficult for a third party to acquire control of our organization or conduct a proxy contest, even if those events were perceived by many of our shareholders as beneficial to their interests. These provisions, and the corporate and banking laws and regulations applicable to us:

- enable our board of directors to issue additional shares of authorized, but unissued capital stock;
- enable our board of directors to issue "blank check" preferred stock with such designations, rights and preferences as may be determined from time to time by the board;
- enable our board of directors to increase the size of the board and fill the vacancies created by the increase;
- divide our board of directors into three classes serving staggered three-year terms;
- do not provide for cumulative voting in the election of directors;
- enable our board of directors to amend our bylaws without shareholder approval;
- require a two-thirds vote of our stockholders to modify the sections of our articles of incorporation addressing limitation of liability and indemnification of our officers and directors;

- require the request of holders of at least 25% of the outstanding shares of our capital stock entitled to vote at a meeting to call a special shareholders' meeting;
- do not permit shareholder action by less than unanimous written consent;
- establish an advance notice procedure for director nominations and other shareholder proposals;
- require heightened approval for a merger, consolidation or share exchange; and
- require prior regulatory application and approval of any transaction involving control of our organization.

These provisions may discourage potential acquisition proposals and could delay or prevent a change in control, including under circumstances in which our shareholders might otherwise receive a premium over the market price of our shares. See "Description of Capital Stock."

Securities analysts may not initiate or continue coverage on us.

The trading market for our common stock will depend, in part, on the research and reports that securities analysts publish about us and our business. We do not have any control over these securities analysts, and they may not cover us. If one or more of these analysts cease to cover us or fail to publish regular reports on us, we could lose visibility in the financial markets, which could cause the price or trading volume of our common stock to decline. If we are covered by securities analysts and are the subject of an unfavorable report, the price of our common stock may decline.

An investment in our common stock is not an insured deposit and is subject to risk of loss.

Your investment in our common stock will not be a bank deposit and will not be insured or guaranteed by the FDIC or any other government agency. Your investment will be subject to investment risk, and you must be capable of affording the loss of your entire investment.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements, which reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “projection,” “would” and “outlook,” or the negative version of those words or other comparable of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

There are or will be important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements, including, but not limited to, the following:

- deterioration of our asset quality;
- factors that can impact the performance of our loan portfolio, including real estate values and liquidity in our primary market areas, the financial health of our commercial borrowers and the success of construction projects that we finance, including any loans acquired in acquisition transactions;
- changes in the value of collateral securing our loans;
- business and economic conditions generally and in the financial services industry, nationally and within our local market area;
- our ability to prudently manage our growth and execute our strategy;
- changes in management personnel;
- our ability to maintain important deposit customer relationships, our reputation or otherwise avoid liquidity risks;
- operational risks associated with our business;
- volatility and direction of market interest rates;
- increased competition in the financial services industry, particularly from regional and national institutions;
- changes in the laws, rules, regulations, interpretations or policies relating to financial institution, accounting, tax, trade, monetary and fiscal matters;
- further government intervention in the U.S. financial system;
- compliance with governmental and regulatory requirements, including the Dodd-Frank Act and others relating to banking, consumer protection, securities and tax matters;
- natural disasters and adverse weather, acts of terrorism, an outbreak of hostilities or other international or domestic calamities, and other matters beyond our control; and
- other factors that are discussed in the sections titled “Risk Factors,” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this prospectus. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made, and we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. New factors emerge from time to time, and it is not possible for us to predict which will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

USE OF PROCEEDS

Assuming an initial public offering price of $ per share, which is the midpoint of the offering price range set forth on the cover page of this prospectus, we estimate that the net proceeds to us from the sale of our common stock in this offering after deducting estimated underwriting discounts and offering expenses will be approximately $ million, or approximately $ million if the underwriters elect to exercise in full their purchase option.

Each $1.00 increase (decrease) in the assumed initial public offering price would increase (decrease) the net proceeds to us from this offering by $ million, or $ million if the underwriters elect to exercise in full their purchase option, assuming the number of shares we sell, as set forth on the cover of this prospectus, remains the same, after deducting underwriting discounts and estimated offering expenses.

We intend to use $48.3 million of the net proceeds to redeem all of our outstanding SBLF preferred stock. We intend to use the remaining net proceeds from this offering, along with available cash, for general corporate purposes, which may include the support of our balance sheet growth, the acquisition of other banks or financial institutions or other complementary businesses to the extent such opportunities arise, and the maintenance of our capital and liquidity ratios, and the ratios of Origin Bank, at acceptable levels.

We have not specifically allocated the amount of net proceeds that will be used for the above described purposes, and our management will have broad discretion over how these proceeds are used.

DIVIDEND POLICY

We have paid regular quarterly cash dividends on our common stock since the second quarter of 1997, and our board of directors presently intends to continue to pay regular cash dividends to our shareholders. However, the amount and frequency of cash dividends, if any, will be determined by our board of directors after consideration of number of factors, including, but not limited to: (1) our historical and projected financial condition, liquidity and results of operations, (2) our capital levels and needs, (3) any acquisitions or potential acquisitions that we are considering, (4) contractual, statutory and regulatory prohibitions and other limitations (as briefly discussed below), (5) general economic conditions and (6) other factors deemed relevant by our board of directors. We cannot assure you that we will be able to pay dividends to holders of our common stock in the future.

The following table sets forth the cash dividends we have paid per share of our common stock for the periods shown:

Quarterly Period	Dividends Per Common Share[1]	Total Cash Dividends
First Quarter 2016	$ 0.0325	$ 566,464
Second Quarter 2016	0.0325	566,582
Third Quarter 2016	0.0325	567,150
Fourth Quarter 2016	0.0325	630,587
First Quarter 2017	$ 0.0325	$ 633,081
Second Quarter 2017	0.0325	633,702
Third Quarter 2017	0.0325	633,730
Fourth Quarter 2017	0.0325	634,361
First Quarter 2018	$ 0.0325	634,580

(1) Amounts have been adjusted as necessary to reflect our 2-for-1 stock split, which was effective October 5, 2016.

Dividend Restrictions

As a Louisiana corporation, we are subject to certain restrictions on dividends under the Louisiana Business Corporation Act, or LBCA. Generally, a Louisiana corporation may pay dividends to its shareholders unless, after giving effect to the dividend, either: (1) the corporation would not be able to pay its debts as they come due in the usual course of business; or (2) the corporation's total assets are less than the sum of its total liabilities and the amount that would be needed, if the corporation were to be dissolved at the time of the payment of the dividend, to satisfy the preferential rights of shareholders whose preferential rights are superior to those receiving the dividend, which in our case would include the liquidation preference of our Series SBLF and Series D preferred shareholders.

Our status as a bank holding company also affects our ability to pay dividends in two ways. First, since we are a bank holding company with no material business activities of our own, our ability to pay dividends is substantially dependent upon the ability of Origin Bank to transfer funds to us in the form of dividends, loans and advances. Origin Bank's ability to pay dividends and make other distributions and payments to us is itself subject to various legal, regulatory and other restrictions, and the present and future dividend policy of Origin Bank is subject to the discretion of its board of directors. Second, as a holding company of a bank, our payment of dividends must comply with the laws, regulations and policies of the Federal Reserve. See "Supervision and Regulation" for more information about regulatory limitations that may affect Origin Bank's and our ability to pay dividends.

Our ability to pay dividends may also be limited on account of our outstanding indebtedness and SBLF preferred stock. We have outstanding two series of junior subordinated debentures. We must make payments on our junior subordinated debentures before any dividends can be paid on our common stock. In addition, under the terms

of our SBLF preferred stock, we may be restricted from paying dividends on our common stock if our capital falls below certain levels, and the failure to pay dividends on the SBLF preferred stock would limit our ability to pay dividends on our common stock in such quarter and the next three calendar quarters. For more information about our participation in the SBLF program, see "Description of Capital Stock – Preferred Stock — SBLF Preferred Stock."

CAPITALIZATION

The following table shows our capitalization, including regulatory capital ratios, on a consolidated basis, as of December 31, 2017:

- on an actual basis;
- on a pro forma basis, after giving effect to the termination of the repurchase liability under our ESOP; and
- on a pro forma as adjusted basis, after giving effect to (1) the termination of the repurchase liability under our ESOP, (2) the net proceeds from the sale by us of shares of our common stock in this offering (assuming the underwriters do not exercise their purchase option) at an assumed initial public offering price of $ per share, which is the midpoint of the price range on the cover of this prospectus, after deducting underwriting discounts and estimated offering expenses, and (3) the redemption of our outstanding SBLF preferred stock.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the as adjusted amount of our total stockholders' equity by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the underwriting discounts and estimated offering expenses. If the underwriters' option to purchase additional shares is exercised in full, the as adjusted amount of total stockholders' equity would increase by approximately $ million, after deducting underwriting discounts and estimated offering expenses, and we would have shares of our common stock issued and outstanding, as adjusted.

The pro forma capitalization information below is illustrative only, and our capitalization following the completion of this offering will be adjusted based on the actual initial public offering price and other terms of our initial public offering determined at pricing. You should read the following table in conjunction with the sections titled "Selected Historical Consolidated Financial Data," "Use of Proceeds," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our consolidated financial statements and related notes appearing elsewhere in this prospectus.

	As of December 31, 2017		
	Actual	Pro Forma	Pro Forma As Adjusted for Offering[4]
	(Dollars in thousands)		
Capitalization:			
Junior subordinated debentures	$ 9,619	$ 9,619	$ 9,619
Commitments and contingent liabilities (ESOP-owned shares)	34,991	—	—
Stockholders' equity:			
Preferred stock, no par value, 2,000,000 shares authorized			
Series SBLF (48,260 shares authorized, issued and outstanding, and no shares issued and outstanding as adjusted)	48,260	48,260	—
Series D (950,000 shares authorized; 901,644 shares issued and outstanding)	16,998	16,998	16,998
Common stock ($5.00 par value; 50,000,000 shares authorized; 19,518,752 shares issued and outstanding; and shares issued and outstanding as adjusted, respectively)	97,594	97,594	
Additional paid-in capital	146,061	146,061	
Retained earnings	145,122	145,122	145,122
Accumulated other comprehensive income	1,307	1,307	1,307
Total stockholders' equity, including ESOP-owned shares	455,342	455,342	
Less: ESOP-owned shares	34,991	—	—
Total stockholders' equity, net of ESOP-owned shares	420,351	455,342	
Total capitalization	$ 464,961	$ 464,961	$
Capital ratios[1]:			
Total stockholders' equity to total assets	10.96%	10.96%	%
Tangible common equity to tangible assets[2]	8.86	8.86	
Tier 1 capital to average assets	10.53	10.53	
Tier 1 risk-based capital to risk-weighted assets[3]	11.25	11.25	
Common equity tier 1 capital to risk-weighted assets[3]	9.35	9.35	
Total risk-based capital to risk-weighted assets[3]	12.26	12.26	

(1) Capital ratios are calculated in accordance with regulatory guidance and include ESOP-owned shares in common equity.

(2) We calculate tangible common equity as total stockholders' equity, including ESOP-owned shares, less goodwill, core deposit intangibles and other intangible assets, net of accumulated amortization, and we calculate tangible assets as total assets less goodwill and core deposit intangibles and other intangible assets, net of accumulated amortization. Tangible common equity to tangible assets is a non-GAAP financial measure, and, as we calculate tangible common equity to tangible assets, the most directly comparable GAAP financial measure is total stockholders' equity to total assets. For a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures, see "Management's Discussion and Analysis of Financial Condition and Results of Operations— Non-GAAP Financial Measurements."

(3) The pro forma capital ratios above assume that the proceeds of this offering are invested in 100.0% risk-weighted assets.

(4) References in this section to the number of shares of our common stock outstanding do not include the 901,644 shares of Series D preferred stock that will become convertible, and are expected to be converted, in part, into common stock upon completion of this offering. The conversion of shares of Series D preferred stock into shares of common stock would have no impact on the total equity shown, but would result in a $ million reduction in Series D preferred stock outstanding and a corresponding $ million increase in common stock outstanding and $ million increase in additional paid-in capital, if all shares of Series D preferred stock subject to conversion following the offering were converted into shares of common stock.

DILUTION

If you invest in our common stock, your ownership interest will be diluted to the extent that the initial public offering price per share of our common stock exceeds the as adjusted net tangible book value per share of our common stock immediately following this offering. Net tangible book value is equal to our total stockholders' equity, less intangible assets. As of December 31, 2017, the net tangible book value of our common stock was $ million, or $ per share.

After giving effect to the termination of the repurchase liability under our ESOP and the net proceeds from the sale by us of shares of our common stock in this offering (assuming the underwriters do not exercise their purchase option) at an assumed initial public offering price of $ per share, the midpoint of the price range on the cover of this prospectus, after deducting underwriting discounts and estimated offering expenses, the pro forma net tangible book value of our common stock as of December 31, 2017 would have been approximately $ million, or $ per share. Therefore, this offering will result in an immediate increase of $ in the net tangible book value per share of our common stock of existing shareholders and an immediate dilution of $ in the tangible book value per share of our common stock to investors purchasing shares in this offering, or approximately % of the assumed public offering price of $ per share.

In addition, as a result of the offering, an aggregate of shares of Series D preferred stock will become convertible into shares of common stock on a one-for-one basis, and we expect those shares to be converted, which will result in additional dilution to new investors. See "Description of Capital Stock—Preferred Stock—Series D Preferred Stock—Conversion." After giving effect to this offering, in the manner described above, and assuming the subsequent conversion of shares of our Series D preferred stock into common stock, the pro forma net tangible book value per share of our common stock as of December 31, 2017 would have been $ per share. Accordingly, taking into account the conversion of shares of Series D preferred stock, this offering will result in an immediate increase of $ in the net tangible book value per share of our common stock of existing shareholders and an immediate dilution of $ in the tangible book value per share of our common stock to investors purchasing shares in this offering, or approximately % of the assumed public offering price of $ per share.

The following table illustrates the calculation of the amount of dilution per share as of December 31, 2017 that a purchaser of our common stock in this offering will incur given the assumptions above:

Assumed initial public offering price per share		$
Net tangible book value per common share, as of December 31, 2017, after giving effect to the termination of the repurchase liability under our ESOP	$ 18.74	
Increase in net tangible book value per common share attributable to this offering	$	
As adjusted net tangible book value per common share after this offering and the termination of the repurchase liability under our ESOP		$
Dilution in net tangible book value per common share to new investors		$
Additional dilution per common share as a result of conversion of shares of Series D preferred stock	$	
Dilution in net tangible book value per common share to new investors from offering and conversion		$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) our as adjusted net tangible book value per share after this offering by $, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the underwriting discounts and estimated offering expenses payable by us.

If the underwriters' option to purchase additional shares is exercised in full, the pro forma net tangible book value per share after giving effect to this offering would be approximately $ per share, and the dilution in pro forma as adjusted net tangible book value per share to investors in this offering would be approximately $ per share.

The following table summarizes the total consideration paid to us and the average price paid per share by existing shareholders and investors purchasing common stock in this offering. To the extent that any of our officers or directors or any promoters, or any persons affiliated with any of the foregoing, participated in an offering of our common stock, these individuals paid the same price as all other participants in the same offering. This information is presented on an as adjusted basis as of December 31, 2017, after giving effect to our sale of shares of our common stock in this offering (assuming the underwriters do not exercise their purchase option) at an assumed public offering price of $ per share.

	Shares Purchased/Issued		Total Consideration		Average Price Per Share
	Number	Percent	Amount[1]	Percent	
			(Dollars in thousands, except per share data)		
Shareholders as of December 31, 2017	19,518,752	%	$ 243,655	%	$ 12.48
New investors in this offering		%		%	
Total	19,518,752	%	$ 243,655	%	$ 12.48

(1) Calculated as $97.6 million in common stock plus $146.1 million addition paid-in capital.

After giving effect to the sale of shares in this offering, if the underwriters' option to purchase additional shares is exercised in full, our existing shareholders would own approximately % and our new investors would own approximately % of the total number of shares of our common stock outstanding after this offering.

The table above excludes shares of common stock issuable upon the exercise of outstanding stock options at a weighted average exercise price of $ per share, which includes shares of common stock issuable upon exercise of stock options that have vested. To the extent that any of the foregoing options are exercised, investors participating in this offering will experience further dilution.

PRICE RANGE OF OUR COMMON STOCK

Prior to this offering, our common stock has not been traded on an established public trading market and quotations for our common stock were not reported on any market. As a result, there has been no regular market for our common stock. Although our shares may have been sporadically traded in private transactions, the prices at which such transactions occurred may not necessarily reflect the price that would be paid for our common stock in an active market. As of , 2017, there were approximately holders of record of our common stock.

We anticipate that this offering and the listing of our common stock on the Nasdaq Global Select Market will result in a more active trading market for our common stock. However, we cannot assure you that a liquid trading market for our common stock will develop or be sustained after this offering. You may not be able to sell your shares quickly or at the market price if trading in our common stock is not active. See “Underwriting” for more information regarding our arrangements with the underwriters and the factors considered in setting the initial public offering price.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This section presents management's perspective on our financial condition and results of operations. The following discussion and analysis should be read in conjunction with our consolidated financial statements and related notes. To the extent that this discussion describes prior performance, the descriptions relate only to the periods listed, which may not be indicative of our future financial outcomes. In addition to historical information, this discussion contains forward-looking statements that involve risks, uncertainties and assumptions that could cause results to differ materially from management's expectations. Factors that could cause such differences are discussed in the sections titled "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors." We assume no obligation to update any of these forward-looking statements.

General

We are a financial holding company headquartered in Ruston, Louisiana. The following discussion and analysis presents our financial condition and results of operations on a consolidated basis. However, we conduct all of our material business operations through our wholly owned bank subsidiary, Origin Bank, and the discussion and analysis that follows primarily relates to activities conducted at the bank level.

Our principal business, which operates through one segment, is lending to and accepting deposits from businesses, municipalities, school districts, professionals and individuals. We generate the majority of our revenue from interest earned on loans and investments, service charges and fees on deposit accounts.

We intend for this discussion and analysis to provide the reader with information that will assist in understanding our business, results of operations, financial condition and financial statements, the changes in certain key items in our financial statements from period to period and the primary factors that accounted for those changes. Certain 2017 financial performance highlights are provided below:

- Net income for the year ended December 31, 2017 was $14.7 million, an increase of $1.8 million, or 14.2%, from $12.9 million for the year ended December 31, 2016. Diluted earnings per share for the year ended December 31, 2017 was $0.50, an increase of $0.04 from $0.46 for the year ended December 31, 2016.
- Total assets grew by $82.5 million, or 2.0%, to $4.15 billion at December 31, 2017, from $4.07 billion at December 31, 2016.
- Loans held for investment increased by $129.0 million, or 4.1%, at December 31, 2017, when compared to December 31, 2016. Excluding a $96.7 million managed decline in our energy lending portfolio, loans held for investment increased by $225.7 million, or 7.3%, during 2017.
- Deposits increased $68.7 million, or 2.0%, at December 31, 2017, compared to December 31, 2016, with noninterest-bearing deposits comprising $52.8 million of the total increase. Noninterest-bearing deposits comprised 23.7% of total deposits at December 31, 2017.
- Nonperforming assets dropped to $24.4 million at December 31, 2017, a decrease of $43.7 million, or 64.2%, from $68.1 million at December 31, 2016, driven by the managed decline in our energy lending portfolio.
- The yield earned on total loans increased to 4.33% for the year ended December 31, 2017, compared to 4.08% for the year ended December 31, 2016, which was the primary driver of our 12 basis point increase in net interest margin (tax-equivalent) for the same period.
- Basic and diluted earnings per share were $0.51 and $0.50 for the year ended December 31, 2017, respectively, compared to basic and diluted earnings per share of $0.46 for the year ended December 31, 2016.

Results of Operations for the Years Ended December 31, 2017 and 2016

Net Interest Income

One of the primary measures of our operating performance is our net interest income, calculated as the difference between interest income on interest-earning assets, such as loans, securities and interest-bearing cash, and interest expense on interest-bearing liabilities, such as deposits and borrowings. Fluctuations in market interest rates and changes in amount and composition impact the yield earned and rates paid on interest sensitive assets and liabilities.

Net interest income for the year ended December 31, 2017 was $130.3 million, a $9.6 million, or 8.0%, increase from $120.7 million for the year ended December 31, 2016. The increase was primarily the result of increased yields earned, and to a lesser extent, increases in the average balances in our loan portfolio. The average yield on our loan portfolio for the year ended December 31, 2017 was 4.33%, a 25 basis point increase from 4.08% for the year ended December 31, 2016. The increase in yield earned on our loan portfolio was attributed to a mix of fewer nonperforming loans which resulted in higher interest earned and increases in the interest rate environment during 2017, but was partially offset by increased rates for our interest-bearing liabilities. During 2016, credit deterioration in our energy lending portfolio resulted in a downward impact of 15 basis points to the total yield on our loan portfolio. During 2017, our energy lending portfolio resulted in a downward impact of three basis points to the total yield on our loan portfolio. Please see "Comparison of Financial Condition at December 31, 2017 and December 31, 2016 - Nonperforming Assets" for additional information on our nonperforming assets. The average cost of our interest-bearing liabilities for the year ended December 31, 2017 was 0.82%, an increase of 14 basis points from 0.68% for the year ended December 31, 2016. The increase in the cost of interest-bearing liabilities was primarily attributed to rises in the interest rate environment, which increase our costs to retain deposits. For the year ended December 31, 2017, our net interest margin increased by 13 basis points to 3.40% from 3.27% for the year ended December 31, 2016.

The following table presents average balance sheet information, interest income, interest expense and the corresponding average yields earned and rates paid for the years ended December 31, 2017 and 2016. Nonaccrual loans are included in their respective loan category for the purpose of calculating the yield earned.

	Years Ended December 31,					
	2017			2016		
	Average Balance	Income/Expense	Yield/Rate	Average Balance	Income/Expense	Yield/Rate
Assets	(Dollars in thousands)					
Commercial real estate	$ 1,027,495	$ 46,071	4.48%	$ 954,860	$ 41,614	4.36%
Construction/land/land development	319,980	14,720	4.60	291,799	12,401	4.25
Residential real estate loans	498,271	22,227	4.46	426,748	19,474	4.56
Commercial and industrial loans	1,050,464	43,291	4.12	1,181,746	44,171	3.74
Mortgage warehouse lines of credit	215,364	9,572	4.44	183,400	7,129	3.89
Consumer loans	21,656	1,363	6.29	22,162	1,296	5.85
Loans held for sale	70,444	1,614	2.29	69,147	1,761	2.55
Loans Receivable	3,203,674	138,858	4.33	3,129,862	127,846	4.08
Investment securities-taxable	292,161	6,233	2.13	260,960	4,970	1.90
Investment securities-nontaxable	135,207	4,766	3.52	138,380	4,900	3.54
Non-marketable equity securities held in other financial institutions	19,607	734	3.74	19,240	613	3.18
Interest-bearing balances due from banks	179,998	2,002	1.11	146,061	822	0.56
Total interest-earning assets	3,830,647	152,593	3.98	3,694,503	139,151	3.77
Noninterest-earning assets	266,320			255,740		
Total assets	$ 4,096,967			$ 3,950,243		
Liabilities and Stockholders' Equity						
Liabilities						
Interest-bearing liabilities						
Savings and interest-bearing transaction accounts	$ 1,985,688	$ 12,707	0.64%	$ 1,904,480	$ 8,707	0.46%
Time deposits	630,770	6,607	1.05	673,774	6,543	0.97
Total interest-bearing deposits	2,616,458	19,314	0.74	2,578,254	15,250	0.59
Borrowings	76,374	2,340	3.06	99,922	2,588	2.59
Securities sold under agreements to repurchase	29,276	86	0.29	29,838	84	0.28
Subordinated debentures	9,607	548	5.70	9,584	546	5.70
Total interest-bearing liabilities	2,731,715	22,288	0.82	2,717,598	18,468	0.68
Noninterest-bearing deposits	841,375			758,878		
Other liabilities	63,658			60,250		
Total liabilities	3,636,748			3,536,726		
Stockholders' Equity	460,219			413,517		
Total liabilities and stockholders' equity	$ 4,096,967			$ 3,950,243		
Net interest spread [1]			3.16%			3.09%
Net interest income and margin [2]		$ 130,305	3.40%		$ 120,683	3.27%
Net interest income and margin - (tax equivalent)[3]		$ 133,873	3.49%		$ 124,323	3.37%

[1] Net interest spread is the average yield on interest-earning assets minus the average rate on interest-bearing liabilities.

(2) Net interest margin is net interest income divided by average interest-earning assets.

(3) In order to present pretax income and resulting yields on tax-exempt investments comparable to those on taxable investments, a tax-equivalent adjustment (a non-GAAP measure) has been computed. This adjustment also includes income tax credits received on Qualified School Construction Bonds. Income from tax-exempt investments and tax credits were computed using a Federal income tax rate of 35% for the periods presented. The tax-equivalent net interest margin would be 3.47% and 3.34% for 2017 and 2016, respectively, if we had been subject to the 21% Federal income tax rate enacted for 2018 in the Tax Cuts and Jobs Act.

Rate/Volume Analysis

Increases and decreases in interest income and interest expense result from changes in average balances (volume) of interest-earning assets and interest-bearing liabilities, as well as changes in average interest rates. The following table presents the dollar amount of changes in interest income and interest expense for major components of interest-earning assets and interest-bearing liabilities. It distinguishes between the changes related to outstanding balances and those due to changes in interest rates. The change in interest attributable to rate has been determined by applying the change in rate between periods to average balances outstanding in the earlier period. The change in interest due to volume has been determined by applying the rate from the earlier period to the change in average balances outstanding between periods. For purposes of this table, changes attributable to both rate and volume that cannot be segregated have been allocated to rate.

	Year Ended December 31, 2017 vs. Year Ended December 31, 2016		
	Increase (Decrease) Due to Change in		
	Volume	Yield/Rate	Total
Interest-earning assets	(Dollars in thousands)		
Loans:			
Commercial real estate	$ 3,166	$ 1,291	$ 4,457
Construction/land/land development	1,198	1,121	2,319
Residential real estate loans	3,264	(511)	2,753
Commercial and industrial loans	(4,907)	4,027	(880)
Mortgage warehouse lines of credit	1,242	1,201	2,443
Consumer loans	(30)	97	67
Loans held for sale	33	(180)	(147)
Loans Receivable	3,966	7,046	11,012
Investment securities-taxable	594	669	1,263
Investment securities-non-taxable	(112)	(22)	(134)
Non-marketable equity securities held in other financial institutions	12	109	121
Interest-bearing balances due from banks	191	989	1,180
Total interest-earning assets	4,651	8,791	13,442
Interest-bearing liabilities			
Savings and interest-bearing transaction accounts	370	3,630	4,000
Time deposits	(418)	482	64
FHLB advances	(610)	362	(248)
Securities sold under agreements to repurchase	(2)	4	2
Junior subordinated debentures	1	1	2
Total interest-bearing liabilities	(659)	4,479	3,820
Net interest income	$ 5,310	$ 4,312	$ 9,622

Provision for Credit Losses

The provision for credit losses, which includes both the provision for loan losses and provision for off-balance sheet commitments, is based on management's assessment of the adequacy of both our allowance for loan losses and our reserve for off-balance sheet lending commitments. Factors impacting the provision include inherent risk characteristics in our loan portfolio, the level of nonperforming loans and net charge-offs, both current and historic, local economic and credit conditions, the direction of the change in collateral values, and the funding probability on unfunded lending commitments. The provision for credit losses is charged against earnings in order to maintain our allowance for loan losses, which reflects management's best estimate of probable losses inherent in our loan portfolio at the balance sheet date, and our reserve for off-balance sheet lending commitments, which reflects management's best estimate of probable losses inherent in our legally binding lending-related commitments.

The provision for credit losses for the year ended December 31, 2017 was $8.3 million, a decrease of $21.7 million, or 72.3%, from $30.1 million for the year ended December 31, 2016. The decrease in provision expense was driven by significant provision expense recorded in 2016 on our energy lending portfolio. Of the 2016 provision expense, $31.7 million was attributable to deterioration in our energy loan portfolio due to the decline in the price of oil and resulting downturn in the energy sector, partially offset by a net recovery in the remainder of our loan portfolio. Net charge-offs for the twelve months ended December 31, 2017 were $21.7 million compared to $21.9 million for same period in 2016, while net charge-offs for the energy portfolio were $14.6 million and $22.7 million for the same periods, respectively. Our energy portfolio totaled $54.3 million at December 31, 2017 compared to $151.0 million at December 31, 2016. For additional information on credit quality see the "Comparison of Financial Condition at December 31, 2017 and December 31, 2016 - Nonperforming Assets."

Noninterest Income

Our primary sources of recurring noninterest income are service charges on deposit accounts, mortgage banking revenue, insurance commission and fee income, and other fee income.

The table below presents the various components of and changes in our noninterest income for the periods indicated.

	Years Ended December 31,			
	2017	**2016**	**$ Change**	**% Change**
	(Dollars in thousands)			
Noninterest income:				
Service charges and fees	$ 11,606	$ 11,019	$ 587	5.3 %
Mortgage banking revenue	15,806	14,869	937	6.3
Insurance commission and fee income	7,207	6,775	432	6.4
Gains on sales of securities, net	—	136	(136)	N/M
Losses on non-mortgage loans held for sale, net	(12,708)	—	(12,708)	N/M
Gain (loss) on sales and disposals of other assets, net	1,036	(515)	1,551	N/M
Other fee income	2,176	2,970	(794)	(26.7)
Other	4,064	6,614	(2,550)	(38.6)
Total noninterest income	$ 29,187	$ 41,868	$ (12,681)	(30.3)

N/M = not meaningful

Noninterest income for the year ended December 31, 2017, decreased by $12.7 million, or 30.3%, to $29.2 million, compared to $41.9 million for the year ended December 31, 2016, primarily due to losses on non-mortgage loans held for sale. The components of the net decrease are discussed below.

Mortgage banking revenue. As part of the banking services we provide our customers, we originate residential mortgage loans and service some of those loans. Our revenue from mortgage banking typically fluctuates as mortgage interest rates change and is primarily attributable to two activities: (1) origination and sale of new mortgage loans and (2) servicing mortgage loans. Our normal practice is to originate mortgage loans for sale in the secondary market and to either retain or release the associated mortgage servicing rights, or MSRs, with the loan sold. Generally, we retain the MSRs on customers in our footprint. We record MSRs at fair value for all loans sold on a servicing retained basis with subsequent adjustments to the fair value of MSRs.

The following table presents our mortgage banking operations for 2017 and 2016 and the dollar and percentage change between the two years:

	Years ended December 31,			
	2017	2016	$ Change	% Change
Revenue:	(Dollars in thousands)			
Origination	$ 1,281	$ 1,312	$ (31)	(2.4)%
Gain on sale of loans held for sale	11,249	12,522	(1,273)	(10.2)
Servicing	7,873	8,146	(273)	(3.4)
MSR change due to payoffs/paydowns	(4,005)	(4,425)	420	(9.5)
Total	16,398	17,555	(1,157)	(6.6)
MSR and hedge fair value adjustment	(592)	(2,686)	2,094	(78.0)
Mortgage banking revenue	$ 15,806	$ 14,869	$ 937	6.3
Origination volume	$ 500,234	$ 745,320	$ (245,086)	(32.9)%
Mortgage loans sold	517,326	754,667	(237,341)	(31.4)
Outstanding principal balance of mortgage loans serviced at year-end	2,183,944	2,497,602	(313,658)	(12.6)

Origination revenue, a component of mortgage banking revenue, is comprised of origination fees, underwriting fees and other fees associated with the origination of loans. Mortgage loan origination volumes of $500.2 million and $745.3 million generated origination revenue of $1.3 million, or 26 basis points, and $1.3 million, or 18 basis points, for 2017 and 2016, respectively. Mortgage loan sales of $517.3 million and $754.7 million generated gains of $11.2 million, or 217 basis points, and $12.5 million, or 166 basis points, for 2017 and 2016, respectively. While the origination and gain on sale revenue declined year over year due to lower origination and sale volumes, the increase in average origination fee rate and average gain on sale rate is a result of our strategy to increase our retail mortgage origination volumes and reduce our level of third party origination volumes.

Revenue from servicing, another component of mortgage banking revenue, includes fees from the servicing of mortgage loans. Servicing revenue was $7.9 million and $8.1 million for 2017 and 2016, respectively. Changes in the fair value of our MSRs are generally a result of changes in long term mortgage interest rates from the previous reporting date, which impact other assumptions used in the valuation of our MSRs such as the prepayment speed assumption. An increase in projected long-term mortgage interest rates typically results in an increase in the fair value of the MSRs, while a decrease in mortgage interest rates typically results in a decrease in the fair value of MSRs. The fair value of MSRs is impacted by principal payments, prepayments, charge-offs and payoffs on loans in the servicing portfolio. Decreases in value from principal payments, prepayments, charge-offs and payoffs were $4.0 million and $4.4 million for 2017 and 2016, respectively. We are susceptible to significant fluctuations in the value of MSRs in changing interest rate environments due to the impact interest rates may have on prepayment speed assumptions in the valuation. Reflecting this sensitivity to interest rates and prepayment speed assumptions, the fair value of MSRs decreased $592,000 and $2.7 million, respectively, in 2017 and 2016.

In the course of conducting our mortgage banking activities of originating mortgage loans and selling those loans in the secondary market, we may be required to buy a loan back due to non-payment of the debt and subsequent foreclosure or a need to modify the terms of the loan and resell or, less commonly, due to origination

defects. The expenses associated with these repurchases are referred to as mortgage loan servicing putback expenses. Putback requests may be made until the loan is paid in full. When a putback request is received, we evaluate the request and take appropriate actions based on the nature of the request. We are required by Federal National Mortgage Association, or Fannie Mae, and Federal Home Loan Mortgage Corporation, or Freddie Mac, to provide a response to putback requests within 60 days of the date of receipt. Total mortgage loan servicing putback expenses incurred by us were $106,000 and $83,000 for the years ended December 31, 2017 and 2016, respectively.

Losses on non-mortgage loans held for sale. During 2017, several energy loans previously classified as held for investment were re-classified as held for sale. The reclassification was part of our strategy to manage the reduction in our energy loan portfolio through the sale of certain remaining energy loans. In 2017, prior to reclassifying the loans as held for sale, we charged off $12.4 million of previously reserved balances through the allowance for loan losses. During the second quarter of 2017 we began efforts to sell the loans and it became apparent there was limited marketability for these loans due to the state of uncertainty around the energy sector, which resulted in significantly discounted purchase offers being received from willing market participants. Due to our desire to reduce further loss exposure to these energy loans we recorded $12.7 million in total losses on discounted sales of these loans during the second and third quarters of 2017. We did not have any energy loans held for sale during 2016 and did not record any impairment charges during the year. We have no energy loans held for sale at December 31, 2017 and we expect no significant losses on energy loan sales in the future.

Gain (loss) on sales and disposals of other assets, net. During the year ended December 31, 2017, we sold a bank-owned tract of vacant land located within one of our primary markets to a real estate developer for a gain of $1.5 million. Prior to the sale, the property was included in net premises and equipment.

Other. Other income decreased by $2.5 million, or 38.6%, to $4.1 million for the year ended December 31, 2017, compared to $6.6 million for the year ended December 31, 2016. The decrease was primarily a result of a decrease in limited partnership income of $2.3 million. During the year ended December 31, 2016 we recognized a gain of $1.9 million as a result of the sale of certain assets held in one of our limited partnership investments. Excluding this gain, we recorded income from our limited partnerships of $893,000 for the year ended December 31, 2016, compared to income of $444,000 for the year ended December 31, 2017. The investment partnerships are Small Business Investment Companies, and our investments in these partnerships provide us credit toward our requirements under the Community Reinvestment Act.

Noninterest Expense

The following table presents the significant components of noninterest expense for the periods indicated:

	Years Ended December 31,			
	2017	2016	$ Change	% Change
	(Dollars in thousands)			
Noninterest expense:				
Salaries and employee benefits	$ 70,862	$ 63,924	$ 6,938	10.9 %
Occupancy and equipment, net[1]	15,915	17,127	(1,212)	(7.1)
Data processing	5,209	4,837	372	7.7
Electronic banking	2,056	2,365	(309)	(13.1)
Communications	1,928	2,474	(546)	(22.1)
Advertising and marketing	2,923	2,849	74	2.6
Professional services	4,722	4,587	135	2.9
Regulatory assessments	2,867	3,229	(362)	(11.2)
Loan related expenses	4,419	3,873	546	14.1
Office and operations	5,456	5,940	(484)	(8.1)
Litigation settlement	10,000	—	10,000	100.0
Other	4,317	5,502	(1,185)	(21.5)
Total noninterest expense	$ 130,674	$ 116,707	$ 13,967	12.0

[1] Occupancy is shown net of sublease income. Sublease income was not significant for any period presented.

Noninterest expense for the year ended December 31, 2017 increased by $14.0 million, or 12.0% to $130.7 million, compared to $116.7 million for the year ended December 31, 2016. Significant components of the net increase are discussed below.

Salaries and employee benefits. Salaries and employee benefit expense increased $6.9 million, or 10.9%, during the year ended December 31, 2017, compared to 2016. The amount of salary expenses deferred as loan origination costs in 2017 declined by $3.0 million compared to 2016 due to updating our estimates of costs to originate loans, as well as a change in the mix of loans originated in 2017 compared to 2016. Salary expense also increased by $1.7 million during the year ended December 31, 2017, compared to the same period in 2016, primarily as a result of increases in headcount and annual raises. Incentive compensation expense increased by $1.2 million during the year ended December 31, 2017 compared to 2016, primarily as a result of improvements in financial performance in relation to established metrics.

Occupancy and equipment, net. Occupancy and equipment expense decreased by $1.2 million or 7.1% for the year ended December 31, 2017, compared to 2016, primarily as a result of a decrease in depreciation expense relating to leasehold improvements and furniture, fixtures and equipment as several significant items became fully depreciated during the third and fourth quarter of 2016, resulting in lower depreciation expense in 2017.

Litigation settlement. In the third quarter of 2017, we recorded expense of $10.0 million upon the full settlement of a lawsuit. For additional information about this matter please refer to Note 17 - Commitments and Contingencies and the "Business - Legal Proceedings" section of this prospectus.

Other. Other noninterest expense decreased by $1.2 million, or 21.5%, during the year ended December 31, 2017, compared to 2016. The majority of the decrease is due to lower amortization expense on our deposit-based and relationship-based intangible assets during the current period as two significant deposit-based intangibles became fully amortized during the fourth quarter of 2016. Amortization expense for the year ended December 31, 2017 was $518,000 compared to $1.5 million in 2016.

Income Tax Expense

The amount of income tax expense is influenced by the amounts of our pre-tax income, tax-exempt income and other nondeductible expenses. Deferred tax assets and liabilities are reflected at currently enacted income tax rates in effect for the period in which the deferred tax assets and liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

On December 22, 2017, the Tax Cuts and Jobs Act was enacted which lowered the Federal corporate income tax rate to 21% for tax years beginning in 2018. For the year ended December 31, 2017, we recognized income tax expense of $5.8 million compared to $2.9 million for the year ended December 31, 2016. Our effective tax rate for the year ended December 31, 2017 was 28.4% compared to 18.5% for the year ended December 31, 2016. The increase in income tax expense and the effective tax rate for the year ended December 31, 2017 was primarily related to the repricing of our deferred tax assets and liabilities due to the enactment of the Tax Cuts and Jobs Act. The repricing of our deferred tax assets and liabilities resulted in a write-down of $2.0 million. Absent this write-down, our 2017 effective tax rate would have been 18.7%, and income tax expense would been $3.8 million.

Our effective income tax rates have differed from the U.S. statutory rate of 35.0% during the comparable periods primarily due to the effect of tax-exempt income from loans, securities and life insurance policies, tax credits and the income tax effects associated with stock-based compensation. Because of these items, we expect our effective income tax rate to continue to remain below the U.S. statutory rate. These tax-exempt items can have a larger than proportional affect on the effective income tax rate as net income decreases.

Comparison of Financial Condition at December 31, 2017 and December 31, 2016

General

Total assets increased by $82.5 million, or 2.0%, to $4.15 billion at December 31, 2017, from $4.07 billion at December 31, 2016. The increase was primarily attributable to increases in loans held for investment and securities of $129.0 million and $28.0 million, respectively, and was partially offset by a decrease of $72.7 million in cash and cash equivalents.

Loan Portfolio

Our loan portfolio is our largest category of earning assets and interest income earned on our loan portfolio is our primary source of income. At December 31, 2017, 71.8% of the loan portfolio held for investment was comprised of commercial and industrial loans (including mortgage warehouse lines of credit) and commercial real estate loans, which were primarily originated within our market areas of North Louisiana, Texas and Mississippi.

At December 31, 2017, total loans held for investment were $3.24 billion, an increase of $129.0 million, or 4.1%, compared to $3.11 billion at December 31, 2016. The increase was primarily due to new loan production and was partially offset by the resolution of certain nonperforming energy and other loans. We expect to experience continued growth across all categories of loans within our held for investment portfolio, consistent with our aggregate loan growth in recent periods for non-energy related loans. We do not expect any significant changes over the near term in the mix of our loan portfolio or in our emphasis on commercial real estate and commercial and industrial lending.

The following table presents the ending balance of our loan portfolio held for investment by purpose category at the dates indicated.

	December 31,					
	2017		2016		2015	
	Amount	Percent	Amount	Percent	Amount	Percent
	(Dollars in thousands)					
Real estate:						
Commercial real estate	$ 1,083,275	33.5%	$ 1,026,752	33.0%	$ 861,540	28.7%
Construction/land/land development	322,404	9.9	311,279	10.0	310,773	10.3
Residential real estate loans	570,583	17.6	414,226	13.3	429,137	14.2
Total real estate	1,976,262	61.0	1,752,257	56.3	1,601,450	53.2
Commercial and industrial loans	989,220	30.5	1,135,683	36.5	1,232,265	40.9
Mortgage warehouse lines of credit	255,044	7.9	201,997	6.5	156,803	5.2
Consumer loans	20,505	0.6	22,138	0.7	22,145	0.7
Total loans held for investment	$ 3,241,031	100.0%	$ 3,112,075	100.0%	$ 3,012,663	100.0%

	December 31,			
	2014		2013	
	Amount	Percent	Amount	Percent
	(Dollars in thousands)			
Real estate:				
Commercial real estate	$ 793,408	27.3%	$ 651,440	26.8%
Construction/land/land development	258,421	8.9	221,306	9.1
Residential real estate loans	349,526	12.1	325,924	13.4
Total real estate	1,401,355	48.3	1,198,670	49.3
Commercial and industrial loans	1,273,551	44.0	1,078,135	44.4
Mortgage warehouse lines of credit	199,794	6.9	127,465	5.2
Consumer loans	22,724	0.8	25,592	1.1
Total loans held for investment	$ 2,897,424	100.0%	$ 2,429,862	100.0%

Commercial real estate loans. Our commercial real estate loans are primarily made to businesses and professionals located primarily in our markets, are diverse in terms of type and are generally secured by real estate within our market areas. Commercial real estate loans are underwritten primarily based on projected cash flows and, secondarily, as loans secured by real estate and personal guarantees. Commercial real estate loans increased $56.5 million, or 5.5%, to $1.08 billion at December 31, 2017 from $1.03 billion at December 31, 2016, as a result of increased demand for commercial real estate loans within the market and the addition of experienced lending officers.

Construction/land/land development loans. Construction, land and land development loans comprise loans made to fund commercial construction and land acquisition for development and farmland. The real estate purchased with these loans is generally located in or near our market areas. Construction, land and land development loans grew by $11.1 million, or 3.6%, to $322.4 million at December 31, 2017 compared to $311.3 million at December 31, 2016.

Residential real estate loans. Residential real estate loans are primarily comprised of loans secured by single-family and multifamily residential properties, which are both owner occupied and investor owned. Residential real estate loans increased by $156.4 million, or 37.7%, to $570.6 million at December 31, 2017 compared to $414.2 million at December 31, 2016. During 2017, as part of a strategy to retain customer

relationships, the decision was made to hold certain residential loans for investment within our portfolio rather than sell them into the secondary market, driving our residential loan balances higher for the comparative period.

Commercial and industrial loans. Commercial and industrial non-real estate loans are made for a variety of business purposes, including inventory, equipment, capital expansion and working capital enhancement and include our energy loan portfolio. Most commercial and industrial loans are secured by the assets being financed or other assets such as accounts receivable or inventory and personal guarantees. These loans are primarily made based on the identified cash flows of the borrower, and secondarily, on the underlying collateral provided by the borrower. Commercial and industrial loans decreased by $146.5 million, or 12.9%, to $989.2 million at December 31, 2017, from $1.14 billion at December 31, 2016. This decrease is primarily attributed to our planned reductions in our energy loan portfolio, which is a component of commercial and industrial loans, as we executed a strategy of divesting our energy exploration and production loan portfolio. Total energy loans as of December 31, 2017 totaled $54.3 million compared to $151.0 million at December 31, 2016, representing a decrease of $96.7 million or 64.0%.

Mortgage warehouse lines of credit. We originate loans to mortgage companies to fund individual mortgages that are closed and awaiting sale to a secondary market investor. These loans are collateralized by the individual mortgages funded by the loans.

Consumer loans. Consumer loans are made to individuals for personal purposes, including automobile purchase loans and personal lines of credit. None of these categories of loans represent a significant portion of our loan portfolio.

Loan Portfolio Maturity Analysis

The table below presents the maturity distribution of our loans held for investment at December 31, 2017. The table also presents the portion of our loans that have fixed interest rates versus interest rates that fluctuate over the life of the loans based on changes in the interest rate environment. Certain variable rate loans had interest rate floors, which effectively fix the interest rate until market rates exceed the stated floor rate.

	December 31, 2017			
	One Year or Less	**Over One Year Through Five Years**	**Over Five Years**	**Total**
	(Dollars in thousands)			
Real estate:				
Commercial real estate	$ 222,541	$ 685,769	$ 174,965	$ 1,083,275
Construction/ land / land development	105,329	186,631	30,444	322,404
Residential real estate loans	93,581	250,871	226,131	570,583
Total real estate	421,451	1,123,271	431,540	1,976,262
Commercial and industrial loans	439,231	477,195	72,794	989,220
Mortgage warehouse lines of credit	255,044	—	—	255,044
Consumer loans	5,351	14,537	617	20,505
Total loans held for investment	$ 1,121,077	$ 1,615,003	$ 504,951	$ 3,241,031
Amounts with fixed rates	$ 211,772	$ 843,226	$ 188,781	$ 1,243,779
Amounts with variable rates	909,305	771,777	316,170	1,997,252
Total	$ 1,121,077	$ 1,615,003	$ 504,951	$ 3,241,031

Nonperforming Assets

Nonperforming assets consist of nonperforming loans and property acquired through foreclosures or repossession.

Loans are considered past due when principal and interest payments have not been received as of the date such payments are contractually due. We discontinue accruing interest on loans when we determine the borrower's financial condition is such that collection of interest and principal payments in accordance with the terms of the loan are not reasonably assured. Loans may be placed on nonaccrual status even if the contractual payments are not past due if information becomes available that causes doubt about the borrowers ability to meet the contractual obligations of the loan. All interest accrued but not collected for loans that are placed on nonaccrual status is reversed against interest income. Interest income is subsequently recognized only to the extent cash payments are received in excess of principal outstanding. Loans are returned to accrual status when all principal and interest amounts contractually due are brought current and future payments are reasonably assured. If a loan is determined by management to be uncollectable, regardless of size, the portion of the loan determined to be uncollectible is then charged to the allowance for loan losses.

We manage the quality of our lending portfolio in part through a disciplined underwriting policy and through continual monitoring of loan performance and borrowers financial condition. There can be no assurance, however, that our loan portfolio will not become subject to losses due to declines in economic conditions or deterioration in the financial condition of our borrowers.

Our nonperforming loans are comprised of nonaccrual loans and accruing loans that are contractually past due 90 days or more. The following schedule shows our nonperforming loans and nonperforming assets as of the dates indicated:

	As of December 31,				
	2017	2016	2015	2014	2013
	(Dollars in thousands)				
Nonperforming loans - (excl. energy loans)					
Commercial real estate	$ 1,745	$ 1,975	$ 2,638	$ 5,881	$ 8,754
Construction/land/land development	1,097	816	1,267	3,237	4,502
Residential real estate loans	7,166	7,188	11,272	8,090	6,542
Commercial and industrial loans	9,729	7,989	3,370	1,840	1,601
Consumer loans	282	210	132	142	114
Total nonperforming loans (excl. energy loans)	20,019	18,178	18,679	19,190	21,513
Nonperforming energy loans	3,783	48,383	15,187	—	—
Accruing loans 90 or more days past due	—	—	—	—	—
Total nonperforming loans	23,802	66,561	33,866	19,190	21,513
Other real estate owned:					
Commercial real estate, construction and land	390	794	1,195	1,437	2,201
Residential real estate	109	779	212	379	321
Total other real estate owned	499	1,573	1,407	1,816	2,522
Other repossessed assets owned	75	—	—	41	45
Total other assets owned	574	1,573	1,407	1,857	2,567
Total nonperforming assets	$ 24,376	$ 68,134	$ 35,273	$ 21,047	$ 24,080
Troubled debt restructuring loans - nonaccrual	$ 2,622	$ 10,900	$ 5,844	$ 6,541	$ 9,473
Troubled debt restructuring loans - accruing	14,234	4,225	4,249	6,000	6,833
Total loans held for investment	3,241,031	3,112,075	3,012,663	2,897,424	2,429,862
Total energy loans	54,338	151,025	243,616	314,581	221,183
Total allowance for loan losses	37,083	50,531	41,230	34,781	31,283
Allowance for loan losses - energy related only	5,160	18,292	9,375	4,643	3,298
Ratio of allowance for loan losses to total nonperforming loans	155.80%	75.92%	121.74%	181.25%	145.41%
Ratio of allowance for loan losses to total nonperforming loans (excl. energy loans)	159.46	177.35	170.54	157.05	130.08
Ratio of nonperforming loans to total loans held for investment	0.73	2.14	1.12	0.66	0.89
Ratio of nonperforming loans to total loans held for investment (excl. energy loans)	0.63	0.61	0.67	0.74	0.97
Ratio of nonperforming assets to total assets	0.59	1.67	0.89	0.56	0.75

Our total nonperforming assets decreased by $43.7 million, or 64.2%, from December 31, 2016 to December 31, 2017. The decrease was primarily due to our continued focus to reduce our energy lending portfolio, which comprised a significant portion of our nonperforming loans at December 31, 2016. In late 2015, we elected to significantly reduce our exposure to energy lending within our loan portfolio. Of our total nonperforming loans, 15.9% and 72.7% were energy related loans as of December 31, 2017 and December 31, 2016, respectively. Total impaired loans of $39.7 million at December 31, 2017 decreased 58.0% from $94.4 million at December 31, 2016.

Potential Problem Loans

From a credit risk standpoint, we classify loans in one of five categories: pass, special mention, substandard, doubtful or loss. The classifications of loans reflect a judgment about the risks of default and loss associated with the loan. We review the ratings on credits and adjust them to reflect the degree of risk and loss that is felt to be inherent in each credit. The methodology is structured so that reserve allocations are increased in accordance with deterioration in credit quality (and a corresponding increase in risk and loss) or decreased in accordance with improvement in credit quality (and a corresponding decrease in risk and loss). Credits rated special mention reflect borrowers who exhibit credit weaknesses or downward trends deserving close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the asset or in the bank's credit position at some future date. While potentially weak, no loss of principal or interest is envisioned and these borrowers currently do not pose sufficient risk to warrant adverse classification. Credits rated substandard are those borrowers with deteriorating trends and well-defined weaknesses that jeopardize the orderly liquidation of debt. A substandard loan is inadequately protected by the current sound worth and paying capacity of the obligor or by the collateral pledged, if any. Normal repayment from the borrower might be in jeopardy, although no loss of principal is envisioned.

Credits rated as doubtful have the weaknesses of substandard assets with the additional characteristic that the weaknesses make collection or liquidation in full questionable and there is a high probability of loss based on currently existing facts, conditions and values. Loans classified as loss are charged-off and we have no expectation of the recovery of any payments in respect to credits rated as loss. Information regarding the internal risk ratings of our loans as of December 31, 2017, is set forth in "Note 4 - Loans" included in our consolidated financial statements included elsewhere in this prospectus.

The following tables present the credit quality indicators of our loan portfolio segments and classes, excluding loans held for sale and loans at fair value.

	December 31, 2017					
	Pass	**Special mention**	**Substandard**	**Doubtful**	**Loss**	**Total**
	(Dollars in thousands)					
Real estate:						
Commercial real estate	$ 1,055,911	$ 7,798	$ 19,566	$ —	$ —	$ 1,083,275
Construction/land/land development	318,488	170	3,746	—	—	322,404
Residential real estate loans	560,945	778	8,860	—	—	570,583
Total real estate	1,935,344	8,746	32,172	—	—	1,976,262
Commercial and industrial loans	915,111	15,332	58,777	—	—	989,220
Mortgage warehouse lines of credit	255,044	—	—	—	—	255,044
Consumer loans	20,223	—	279	3	—	20,505
Total loans held for investment	$ 3,125,722	$ 24,078	$ 91,228	$ 3	$ —	$ 3,241,031

	December 31, 2016					
	Pass	Special mention	Substandard	Doubtful	Loss	Total
Loans secured by real estate:	(Dollars in thousands)					
Commercial real estate	$ 1,014,091	$ 4,686	$ 7,975	$ —	$ —	$ 1,026,752
Construction/land/land development	307,716	1,028	2,535	—	—	311,279
Residential real estate	405,137	167	8,922	—	—	414,226
Total real estate	1,726,944	5,881	19,432	—	—	1,752,257
Commercial and industrial loans	997,669	9,725	124,765	3,524	—	1,135,683
Mortgage warehouse lines of credit	201,997	—	—	—	—	201,997
Consumer loans	22,034	—	98	6	—	22,138
Total loans held for investment	$ 2,948,644	$ 15,606	$ 144,295	$ 3,530	$ —	$ 3,112,075

Allowance for Loan Losses

We maintain an allowance for loan losses which represents management's estimate of probable and reasonably estimable loan losses inherent within the portfolio of loans held for investment as of the respective balance sheet date. The allowance for loan losses is maintained at a level which management believes is adequate to absorb all existing probable losses on loans in the loan portfolio. The amount of the allowance for loan losses should not be interpreted as an indication that charge-offs in future periods will necessarily occur in those amounts, or at all. In determining the allowance for loan losses, we estimate losses on specific loans, or groups of loans, where the probable loss can be identified and reasonably determined. The balance of the allowance for loan losses is based on internally assigned risk classifications of loans, historical loan loss rates, changes in the nature of the loan portfolio, overall portfolio quality, industry concentrations, delinquency trends, current economic factors and the estimated impact of current economic conditions on certain historical loan loss rates. Please see "— Critical Accounting Policies and Estimates—Loans and Allowance for Loan Losses."

The amount of the allowance is affected by loan charge-offs, which decrease the allowance, recoveries on loans previously charged off, which increase the allowance as well as the provision for loan losses charged to income, which increases the allowance. We allocate the allowance for loan losses either to specific allocations, or general allocations for each major loan category. In determining the provision for loan losses, management monitors fluctuations in the allowance resulting from actual charge-offs and recoveries and to periodically review the size and composition of the loan portfolio in light of current economic conditions. If actual losses exceed the amount of allowance for loan losses, it could materially and adversely affect our earnings.

As a general rule, when it becomes evident that the full principal and accrued interest of a loan may not be collected, or at 90 days past due, we will reflect that loan as nonperforming. It will remain nonperforming until it performs in a manner that it is reasonable to expect that we will collect the full principal and accrued interest. When the amount or likelihood of a loss on a loan has been confirmed, a charge-off should be taken in the period it is determined.

We establish general allocations for each major loan category and credit quality. The allocations in this section are based historical charge-off experience and the expected loss given default, derived from our internal risk rating process. Other adjustments may be made to the allowance for pools of loans after an assessment of internal or external influences on credit quality that are not fully reflected in the historical loss or risk rating data. We give consideration to trends, changes in loan mix, delinquencies, prior losses and other related information.

In connection with the review of our loan portfolio, we consider risk elements attributable to particular loan types or categories in assessing the quality of individual loans. Some of the risk elements we consider include:

- for commercial real estate loans, the debt service coverage ratio, operating results of the owner in the case of owner occupied properties, the loan to value ratio, the age and condition of the collateral and the volatility of income, property value and future operating results typical of properties of that type;
- for construction, land and land development loans, the perceived feasibility of the project including the ability to sell developed lots or improvements constructed for resale or the ability to lease property constructed for lease, the quality and nature of contracts for presale or prelease, if any, experience and ability of the developer and loan to value ratio;
- for residential mortgage loans, the borrower's ability to repay the loan, including a consideration of the debt to income ratio and employment and income stability, the loan-to-value ratio, and the age, condition and marketability of the collateral; and
- for commercial and industrial loans, the debt service coverage ratio (income from the business in excess of operating expenses compared to loan repayment requirements), the operating results of the commercial, industrial or professional enterprise, the borrower's business, professional and financial ability and expertise, the specific risks and volatility of income and operating results typical for businesses in that category and the value, nature and marketability of collateral.

The following table presents the allowance for loan loss by loan category:

	December 31,								
	2017			2016			2015		
	Amount	% to Total	% of Loans to Total Loans	Amount	% to Total	% of Loans to Total Loans	Amount	% to Total	% of Loans to Total Loans
	(Dollars in thousands)								
Loans secured by real estate:									
Commercial real estate	$ 8,998	24.3%	33.5%	$ 8,718	17.2%	33.0%	$ 7,451	18.1%	28.7%
Construction/land/land development	2,950	8.0	9.9	2,805	5.6	10.0	3,927	9.5	10.3
Residential real estate loans	5,807	15.7	17.6	5,003	9.9	13.3	5,094	12.4	14.2
Commercial and industrial loans	18,831	50.6	30.5	33,590	66.5	36.5	23,648	57.4	40.9
Mortgage warehouse lines of credit	214	0.6	7.9	139	0.3	6.5	761	1.8	5.2
Consumer loans	283	0.8	0.6	276	0.5	0.7	349	0.8	0.7
Total	$ 37,083	100.0%	100.0%	$ 50,531	100.0%	100.0%	$ 41,230	100.0%	100.0%

	As of December 31,					
	2014			2013		
	Amount	% to Total	% of Loans to Total Loans	Amount	% to Total	% of Loans to Total Loans
	(Dollars in thousands)					
Loans secured by real estate:						
Commercial real estate	$ 9,173	26.4%	27.3%	$ 8,994	28.8%	26.8%
Construction/land/land development	3,630	10.4	8.9	3,313	10.6	9.1
Residential real estate loans	2,090	6.0	12.1	1,861	5.9	13.4
Commercial and industrial loans	17,361	49.9	44.0	15,076	48.2	44.4
Mortgage warehouse lines of credit	1,948	5.6	6.9	1,386	4.4	5.2
Consumer loans	579	1.7	0.8	653	2.1	1.1
Total	$ 34,781	100.0%	100.0%	$ 31,283	100.0%	100.0%

The ratio of the allowance for loan losses to the loans held for investment at December 31, 2017 and 2016 was 1.14% and 1.62%, respectively. The decrease in the total allowance for loan losses reflects our overall better asset quality driven primarily by the reduction of our lower quality energy lending portfolio. In late 2015, we decided to significantly reduce our exposure to energy lending due to credit quality weaknesses embedded in the energy sector. The credit quality issues extended into our energy portfolio and drove significant increases in our provision expense and negatively impacted our asset quality during 2016 and 2017. At December 31, 2017, our energy lending portfolio was $54.3 million, down $96.7 million, or 64.0%, from $151.0 million at December 31, 2016. The ratio of the allowance for loan losses to loans held for investment excluding energy loans was 1.00% and 1.09% at December 31, 2017 and 2016, respectively. The decline in this ratio is primarily driven by the improving overall credit profile of the total loan portfolio.

The following table presents an analysis of the allowance for loan losses and other related data as of and for the periods indicated:

	December 31,				
	2017	**2016**	**2015**	**2014**	**2013**
	(Dollars in thousands)				
Allowance for loan loss at beginning of period	$ 50,531	$ 41,230	$ 34,781	$ 31,283	$ 28,467
Provision for loan losses (excl. energy)	6,786	(488)	3,465	14,708	7,504
Provision for loan losses - energy	1,433	31,653	7,476	1,345	151
Total provision for loan losses	8,219	31,165	10,941	16,053	7,655
Charge-offs:					
Commercial real estate	463	422	338	3,248	2,385
Construction/land/land development	3	24	25	139	66
Residential real estate	1,446	505	885	473	394
Commercial and industrial (excl. energy)	5,619	1,978	1,326	9,192	2,436
Mortgage warehouse lines of credit	—	—	—	—	—
Consumer	198	604	399	76	222
Energy	16,148	22,873	2,744	—	—
Total charge-offs	23,877	26,406	5,717	13,128	5,503
Recoveries:					
Commercial real estate	93	25	35	238	85
Construction/land/land development	$ 5	$ 7	$ 13	$ 11	$ 19
Residential real estate	125	185	240	24	67
Commercial and industrial (excl. energy)	335	4,062	804	144	317
Mortgage warehouse lines of credit	—	—	—	—	—
Consumer	69	126	133	156	176
Energy	1,583	137	—	—	—
Total recoveries	2,210	4,542	1,225	573	664
Net charge-offs	21,667	21,864	4,492	12,555	4,839
Allowance for loan loss at end of period	$ 37,083	$ 50,531	$ 41,230	$ 34,781	$ 31,283
Allowance for loan loss at end of period - energy loans	$ 5,160	$ 18,292	$ 9,375	$ 4,643	$ 3,298
Total loans held for investment	3,241,031	3,112,075	3,012,663	2,897,424	2,429,862
Total energy loans	54,338	151,025	243,616	314,580	221,182
Average total loans held for investment	3,133,230	3,060,715	2,947,923	2,633,165	2,272,132
Average energy loans	102,682	197,321	279,098	267,881	211,954
Ratio of ending allowance to ending loans	1.14%	1.62 %	1.37%	1.20%	1.29%
Ratio of ending allowance to ending loans (excl. energy)	1.00	1.09	1.15	1.17	1.27
Ratio of net charge-offs to average loans	0.69	0.71	0.15	0.48	0.21
Ratio of net charge-offs to average loans (excl. energy)	0.23	(0.03)	0.07	0.53	0.23
Net charge-offs as a percentage of:					
Provision for loan losses	263.62	70.16	41.06	78.21	63.21
Allowance for loan losses	58.43	43.27	10.89	36.10	15.47

Securities

Our securities portfolio is the second largest component of earning assets and provides a significant source of revenue. We use the securities portfolio to provide a source of liquidity, provide an appropriate return on funds invested, manage interest rate risk, meet collateral requirements and meet regulatory capital requirements. We manage the securities portfolio to optimize returns while maintaining an appropriate level of risk. Securities within the portfolio are classified as either held-to-maturity, available-for-sale or at fair value through income, based on the intent and objective of the investment and the ability to hold to maturity. Unrealized gains and losses arising in the available for sale portfolio as a result of changes in the fair value of the securities are reported on an after-tax basis as a component of accumulated other comprehensive income in stockholders' equity while securities classified as held to maturity are carried at amortized cost. For further discussion of the valuation components and classification of investment securities, see "Note 1 - Summary of Significant Accounting Policies" within the consolidated financial statements included in this prospectus.

The following table presents the amortized cost and fair value of investment securities as of the dates indicated:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2017		(Dollars in thousands)		
Available for sale:				
State and municipal securities	$ 125,909	$ 4,104	$ (35)	$ 129,978
Corporate bonds	3,000	136	—	3,136
Residential mortgage-backed securities	105,132	492	(595)	105,029
Residential collateralized mortgage obligations	168,645	262	(2,518)	166,389
Total	$ 402,686	$ 4,994	$ (3,148)	$ 404,532
Held to maturity:				
State and municipal securities	$ 20,188	$ 77	$ —	$ 20,265
Securities carried at fair value through income:				
State and municipal securities[(1)]	$ 11,918	$ —	$ —	$ 12,033
December 31, 2016				
Available for sale:				
State and municipal securities	$ 125,988	$ 6,605	$ (124)	$ 132,469
Residential mortgage-backed securities	106,177	637	(793)	106,021
Residential collateralized mortgage obligations	138,093	762	(1,828)	137,027
Total securities available for sale	$ 370,258	$ 8,004	$ (2,745)	$ 375,517
Held to maturity:				
State and municipal securities	$ 20,710	$ 285	$ —	$ 20,995
Securities carried at fair value through income:				
State and municipal securities[(1)]	$ 12,298	$ —	$ —	$ 12,511

(1) Securities carried at fair value through income have no unrealized gains or losses at the balance sheet date as all changes in value have been recognized in the consolidated financial statements.

Our securities portfolio totaled $436.8 million at December 31, 2017, representing an increase of $28.1 million, or 6.9%, from $408.7 million at December 31, 2016. The increase was primarily driven by a redeployment of excess cash into interest-earning assets and, more specifically into residential collateralized mortgage obligations.

The following tables present the fair value of securities available for sale and amortized cost of securities held to maturity and their corresponding yields at December 31, 2017 and 2016. The securities are grouped by contractual maturity and use amortized cost for all yield calculations. Mortgage backed securities and collateralized mortgage obligations, which do not have contractual payments due at a single maturity date, are shown at the date the last underlying mortgage matures. Actual maturities for mortgage-backed securities and collateralized mortgage obligations will differ from contractual maturities as a result of prepayments made on the underlying mortgages.

	December 31, 2017									
	Within One Year		After One Year but Within Five Years		After Five Years but Within Ten Years		After Ten Years		Total	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield
Available for sale:	(Dollars in thousands)									
State and municipal securities	$ 2,257	2.53%	$ 24,605	3.26%	$ 84,616	2.89%	$ 18,500	4.04%	$ 129,978	3.12%
Corporate bonds	—	—	—	—	3,136	5.62	—	—	3,136	5.62
Residential mortgage-backed securities	1	3.55	39	5.93	9,962	3.00	95,027	2.47	105,029	2.52
Residential collateralized mortgage obligations	—	—	—	—	—	—	166,389	2.33	166,389	2.33
Total securities available for sale	$ 2,258	2.53%	$ 24,644	3.26%	$ 97,714	2.99%	$ 279,916	2.49%	$ 404,532	2.66%
Held to maturity:										
State and municipal securities	$ —	—%	$ 14,963	3.03%	$ —	—%	$ 5,225	0.79%	$ 20,188	2.45%
Securities carried at fair value through income:										
State and municipal securities	—	—	—	—	—	—	12,033	2.80	12,033	2.80
Total	$ 2,258	2.53%	$ 39,607	3.17%	$ 97,714	2.99%	$ 297,174	2.47%	$ 436,753	2.65%

	December 31, 2016									
	Within One Year		After One Year but Within Five Years		After Five Years but Within Ten Years		After Ten Years		Total	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield
Available for sale:	(Dollars in thousands)									
State and municipal securities	$ 2,843	2.84%	$ 18,243	3.09%	$ 78,525	2.78%	$ 32,858	4.11%	$ 132,469	3.15
Corporate bonds	—	—	—	—	—	—	—	—	—	—
Residential mortgage-backed securities	—	—	5	4.52	9,719	3.46	96,297	2.28	106,021	2.39
Residential collateralized mortgage obligations	—	—	—	—	—	—	137,027	2.17	137,027	2.17
Total securities available for sale	$ 2,843	2.84%	$ 18,248	3.09%	$ 88,244	2.85%	$ 266,182	2.45%	$ 375,517	2.58%
Held to maturity:										
State and municipal securities	$ 25	6.00%	$ 15,735	3.03%	$ —	—%	$ 5,235	0.79%	$ 20,995	2.48%
Securities carried at fair value through income:										
State and municipal securities	—	—	—	—	—	—	12,511	2.34	12,511	2.34
Total	$ 2,868	2.87%	$ 33,983	3.06%	$ 88,244	2.85%	$ 283,928	2.41%	409,023	2.57%

The contractual maturity of mortgage-backed securities and collateralized mortgage obligations is not a reliable indicator of their expected life because borrowers have the right to prepay their obligations at any time. Mortgage-backed securities and collateralized mortgage obligations are typically issued with stated principal amounts and are backed by pools of mortgage loans and other loans with varying maturities. The term of the underlying mortgages and loans may vary significantly due to the ability of a borrower to prepay. Monthly pay downs on mortgage-backed securities tend to cause the average life of the securities to be much different than the stated contractual maturity. During a period of increasing interest rates, fixed rate mortgage-backed securities do not tend to experience heavy prepayments of principal, and, consequently, the average life of this security is typically lengthened. If interest rates begin to fall, prepayments may increase, thereby shortening the estimated average life of this security.

Other than securities issued by government agencies or government sponsored enterprises, we did not own securities of any one issuer for which aggregate adjusted cost exceeded 10.0% of the consolidated stockholders' equity at December 31, 2017 or December 31, 2016. Additionally, we do not hold any Fannie Mae or Freddie Mac preferred stock, collateralized debt obligations, structured investment vehicles or second lien elements in the investment portfolio, nor does the investment portfolio contain any securities that are directly backed by subprime or Alt-A mortgages.

Securities carried at fair value through income

At December 31, 2017 and 2016, we held two fixed-rate community investment bonds totaling $12.0 million and $12.5 million, respectively. We elected the fair value option on these securities to offset corresponding changes in the fair value of related interest rate swap agreements.

Deposits

Deposits are our primary funding source used to fund our loans, investments and operating needs. We offer a variety of products designed to attract and retain both consumer and commercial deposit customers. These products consist of noninterest and interest-bearing checking accounts, savings deposits, money market accounts and time deposits. Deposits are primarily gathered from individuals, partnerships and corporations primarily in our market areas. We also obtain deposits from local municipalities. Our policy also permits the acceptance of brokered deposits on a limited basis.

We manage our interest expense on deposits through specific deposit product pricing that is based on competitive pricing, economic conditions and current or anticipated funding needs. We may use interest rates as a mechanism to attract or deter additional deposits based on our anticipated funding needs and liquidity position. We also consider potential interest rate risk caused by extended maturities of time deposits when setting the interest rates in periods of future economic uncertainty.

The following table presents our deposit mix as of the dates indicated and the dollar and percentage change between periods:

	December 31, 2017		December 31, 2016		Change from December 31, 2016 to December 31, 2017	
	Balance	% of Total	Balance	% of Total	$ Change	% Change
			(Dollars in thousands)			
Interest-bearing	$ 738,967	21.0%	$ 788,936	22.9%	$ (49,969)	(6.3)%
Money market	900,039	25.7	793,016	23.0	107,023	13.5
Time deposits	619,093	17.6	648,941	18.8	(29,848)	(4.6)
Brokered	276,214	7.9	295,403	8.6	(19,189)	(6.5)
Savings	144,848	4.1	136,905	4.0	7,943	5.8
Noninterest-bearing	832,853	23.7	780,065	22.7	52,788	6.8
Total deposits	$ 3,512,014	100.0%	$ 3,443,266	100.0%	$ 68,748	2.0 %

The following schedule reflects the classification of our average deposits and the average rate paid on each deposit category for the periods indicated:

	Year Ended December 31, 2017			Year Ended December 31, 2016		
	Average Balance	Int. Expense	Annualized Average Rate Paid	Average Balance	Int. Expense	Annualized Average Rate Paid
			(Dollars in thousands)			
Interest-bearing	$ 692,249	$ 2,728	0.39%	$ 724,237	$ 2,302	0.32%
Money market	873,917	6,529	0.75	744,356	4,513	0.61
Time deposits	630,770	6,607	1.05	673,774	6,543	0.97
Brokered	275,957	3,272	1.19	299,028	1,722	0.58
Savings	143,565	178	0.12	136,859	170	0.12
Total interest-bearing	2,616,458	$ 19,314	0.74	2,578,254	$ 15,250	0.59
Non-interest bearing	841,375	—	—	758,878	—	—
Total average deposits	$ 3,457,833	$ 19,314	0.56%	$ 3,337,132	$ 15,250	0.46%

Our average deposit balance was $3.46 billion for the year ended December 31, 2017, an increase of $120.7 million, or 3.6%, from $3.34 billion for the year ended December 31, 2016. This increase is primarily due to our continued relationship-based efforts to attract deposits within our markets. The average rate paid on our interest-bearing deposits for the year ended December 31, 2017 was 0.74% compared to 0.59% for the year ended

December 31, 2016. The increase in the average cost of our deposits was primarily attributed to increases in the average rate paid on money market and brokered deposits to remain competitive with other depository institutions in our markets.

Average noninterest-bearing deposits as of December 31, 2017 were $841.4 million compared to $758.9 million as of December 31, 2016, an increase of $82.5 million, or 10.9%. Period end noninterest-bearing deposits represented 23.7% and 22.7% of our deposits at December 31, 2017 and 2016, respectively.

The following table presents the maturity distribution of our time deposits in denominations of $100,000 or more as of December 31, 2017:

	Time Deposits
Remaining maturity:	(Dollars in thousands)
3 months or less	$ 68,826
Over 3 through 6 months	65,365
Over 6 through 12 months	123,146
Over 12 months	198,481
Total	$ 455,818

Borrowings

The following table presents borrowings at the dates indicated:

	At December 31,	
	2017	2016
Short-term Borrowings:	(Dollars in thousands)	
Overnight repurchase agreements with depositors	$ 36,178	$ 33,445
Long-term Borrowings:		
FHLB long-term advances	75,604	76,898
Total FHLB advances and repurchase agreements	111,782	110,343
Junior subordinated debentures	9,619	9,596
Total borrowings	$ 121,401	$ 119,939

Overnight repurchase agreements with depositors consist of obligations of ours to depositors and mature on a daily basis. These obligations of ours to depositors carried a daily average interest rate of 0.29% and 0.28% for the years ended December 31, 2017 and 2016, respectively.

Our long-term debt consists primarily of advances from the Federal Home Loan Bank of Dallas, or FHLB, with original maturities greater than one year. Interest rates for FHLB long-term advances outstanding at December 31, 2017 ranged from 1.99% to 5.72% and were subject to restrictions or penalties in the event of prepayment.

Scheduled maturities of the long-term advances from the FHLB at December 31, 2017 were as follows:

Year ended December 31,	(Dollars in thousands)
2018	$ 50,540
2019	847
2020	1,127
2021	1,167
2022	2,619
Thereafter	19,304
	$ 75,604

At December 31, 2017, we held 14 unfunded letters of credit from the FHLB totaling $230.1 million with expiration dates ranging from January 11, 2018 to February 15, 2019. These letters of credit either support pledges for our public fund deposits or confirm letters of credit we have issued to support our customers' businesses. Security for all indebtedness and outstanding commitments to the FHLB consists of a blanket floating lien on all of our first mortgage loans, commercial real estate and other real estate loans, as well as our investment in capital stock of the FHLB and deposit accounts at the FHLB. The net amount available under the blanket floating lien at December 31, 2017 was $649.0 million.

Junior Subordinated Debentures

We have two wholly owned, unconsolidated subsidiary grantor trusts that were established for the purpose of issuing trust preferred securities. The trust preferred securities accrue and pay distributions periodically at specified annual rates as provided in each trust agreement. The trusts used the net proceeds from each of the offerings to purchase a like amount of our junior subordinated debentures. The debentures are the sole assets of the trusts. Our obligations under the debentures and related documents, taken together, constitute a full and unconditional guarantee by us of the obligations of the trusts. The trust preferred securities are mandatorily redeemable upon maturity of the debentures, or upon earlier redemption as provided in the indentures. We have the right to redeem the debentures in whole or in part on or after specific dates at a redemption price specified in the indentures governing the debentures plus any accrued but unpaid interest to the redemption date. Due to the extended maturity date of the trust preferred securities, they are included in Tier 1 capital for regulatory purposes, subject to certain limitations.

The following table is a summary of the terms of the current debentures at December 31, 2017:

Issuance Trust	Issuance Date	Maturity Date	Amount Outstanding	Rate Type	Current Rate	Maximum Rate
			(Dollars in thousands)			
CTB Statutory Trust I	07/2001	07/2031	$ 6,702	Variable [1]	4.68%	12.50%
First Louisiana Statutory Trust I	09/2006	12/2036	4,124	Variable [2]	3.39%	16.00%
			$ 10,826			

[1] The trust preferred securities reprice quarterly based on the three-month LIBOR plus 3.30%, with the last reprice date on October 27, 2017.
[2] The trust preferred securities reprice quarterly based on the three-month LIBOR plus 1.80%, with the last reprice date on December 13, 2017.

The amounts of the debentures outstanding varies from the amounts carried on the consolidated balance sheet due to an unamortized purchase discount of $1.2 million at both December 31, 2017 and 2016, which was established with the acquisition of the issuer of the First Louisiana Statutory Trust I securities.

Liquidity and Capital Adequacy Requirements

Liquidity Management

Liquidity management is the ability to meet the cash flow requirements of customers who may be either depositors wishing to withdraw funds or borrowers needing assurance that sufficient funds will be available to meet their credit needs. Management continually monitors our liquidity and non-core dependency ratios to ensure compliance with targets established by the Asset-Liability Management Committee.

Core deposits, which are total deposits excluding time deposits greater than $250,000 and brokered deposits, are a major source of funds used to meet cash flow needs. Maintaining the ability to acquire these funds as needed in a variety of markets is the key to assuring our liquidity.

The investment portfolio is another alternative for meeting liquidity needs. These assets generally have readily available markets that offer conversions to cash as needed. Securities within our investment portfolio are also used to secure certain deposit types. At December 31, 2017, securities with a carrying value of $276.3 million were pledged to secure public fund deposits as compared to securities with a carrying value of $266.9 million similarly pledged at December 31, 2016.

Other sources available for meeting liquidity needs include federal funds purchased and short-term and long-term advances from the FHLB. Interest is charged at the prevailing market rate on federal funds purchased and FHLB advances. There were borrowings from the FHLB in the amount of $75.6 million at December 31, 2017, compared to $76.9 million at December 31, 2016. Long-term funds obtained from the FHLB are used primarily to meet day to day liquidity needs, particularly when the cost of such borrowing compares favorably to the rates that we would be required to pay to attract deposits. The total amount of the remaining credit available from the FHLB at December 31, 2017 was $649.0 million.

The following table illustrates, during the periods presented, the mix of our funding sources and the average assets in which those funds are invested as a percentage of our average total assets for the period indicated. Average assets totaled $4.10 billion and $3.95 billion for the year ended December 31, 2017 and 2016, respectively.

	Years Ended December 31,	
	2017	**2016**
Sources of Funds:		
Deposits:		
Non interest-bearing	20.5%	19.2%
Interest-bearing	63.9	65.3
FHLB advances	1.9	2.5
Repurchase agreements	0.7	0.8
Junior subordinated debentures	0.2	0.2
Other liabilities	1.6	1.5
Stockholders' equity	11.2	10.5
Total	100.0%	100.0%
Uses of Funds:		
Loans	78.2%	79.2%
Securities available for sale	10.4	10.1
Non-marketable equity securities held in other financial institutions	0.5	0.5
Interest-bearing deposits in other banks	4.4	3.7
Other non interest-earning assets	6.5	6.5
Total	100.0%	100.0%
Average non interest-bearing deposits to average deposits	24.3%	22.7%
Average loans to average deposits	92.6	93.8

Our primary source of funds is deposits, and our primary use of funds is the funding of loans. We invest excess deposits in interest-bearing deposits at other banks, the Federal Reserve, or investment securities until they are needed to fund loan growth.

Contractual Obligations

In the normal course of business, we enter into financial instruments, such as certain contractual obligations, commitments to extend credit and letters of credit, to meet the financing needs of our customers. These commitments involve elements of credit risk, interest rate risk and liquidity risk. Some instruments may not be reflected in the accompanying consolidated financial statements until they are funded, although they expose us to varying degrees of credit risk and interest rate risk in much the same way as funded loans.

The table below presents the funding requirements of our most significant financial commitments, excluding interest and purchase discounts, as of the date indicated:

	Payments Due by Period				
December 31, 2017	**Less than One Year**	**One-Three Years**	**Three-Five Years**	**Greater than Five Years**	**Total**
	(Dollars in thousands)				
Operating lease obligations	$ 4,448	$ 7,487	$ 6,247	$ 10,106	$ 28,288
FHLB advances	50,540	1,974	3,786	19,304	75,604
Subordinated debentures	—	—	—	10,826	10,826
Time deposits	345,585	208,926	64,582	—	619,093
Limited partnership investments[1]	8,054	—	—	—	8,054
Low income housing tax credits	505	165	204	567	1,441
Overnight repurchase agreements with depositors	36,178	—	—	—	36,178
Total contractual obligations	$ 445,310	$ 218,552	$ 74,819	$ 40,803	$ 779,484

(1) These commitments represent amounts we are obligated to contribute to various limited partnership investments in accordance with the provisions of the respective limited partnership agreements. The capital contributions may be required at any time, and are therefore reflected in the 'less than one year' category.

Credit Related Commitments

Commitments to extend credit include revolving commercial credit lines, nonrevolving loan commitments issued mainly to finance the acquisition and development or construction of real property or equipment, and credit card and personal credit lines. The availability of funds under commercial credit lines and loan commitments generally depends on whether the borrower continues to meet credit standards established in the underlying contract and has not violated other contractual conditions. Loan commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee by the borrower. Credit card and personal credit lines are generally subject to cancellation if the borrower's credit quality deteriorates. A number of commercial and personal credit lines are used only partially or, in some cases, not at all before they expire, and the total commitment amounts do not necessarily represent future cash requirements.

A substantial majority of the letters of credit are standby agreements that obligate us to fulfill a customer's financial commitments to a third party if the customer is unable to perform. We issue standby letters of credit primarily to provide credit enhancement to our customers' other commercial or public financing arrangements and to help them demonstrate financial capacity to vendors of essential goods and services.

The table below presents our commitments to extend credit by commitment expiration date for the date indicated:

	December 31, 2017				
	Less than One Year	**One-Three Years**	**Three-Five Years**	**Greater than Five Years**	**Total**
	(Dollars in thousands)				
Commitments to extend credit[1]	$ 485,277	$ 443,909	$ 96,198	$ 42,703	$ 1,068,087
Standby letters of credit	78,573	1,295	25	—	79,893
Total Off-Balance Sheet Commitments	$ 563,850	$ 445,204	$ 96,223	$ 42,703	$ 1,147,980

(1) Includes $314.2 million of unconditionally cancellable commitments at December 31, 2017.

Regulatory Capital Requirements

Stockholders' equity provides a source of permanent funding, allows for future growth and provides a cushion to withstand unforeseen adverse developments. As of December 31, 2017, stockholders' equity, including ESOP owned shares, was $455.3 million, representing an increase of $6.6 million, or 1.5% compared to $448.7 million as of December 31, 2016.

Together with Origin Bank, we are also subject to various regulatory capital requirements administered by the federal banking agencies. These requirements are discussed in greater detail in the section titled "*Supervision and Regulation.*" Failure to meet minimum capital requirements may result in certain actions by regulators that, if enforced, could have a direct material effect on our financial statements. At December 31, 2017 and December 31, 2016, Origin Bank and we were in compliance with all applicable regulatory capital requirements, and Origin Bank was classified as "well capitalized" for purposes of the FDIC's prompt corrective action regulations. As we deploy capital and continue to grow operations, regulatory capital levels may decrease depending on the level of earnings. However, we expect to monitor and control growth in order to remain "well capitalized" under applicable regulatory guidelines and in compliance with all applicable regulatory capital standards.

The following table presents our regulatory capital ratios, as well as those of Origin Bank, at the dates indicated:

	December 31			
	2017		2016	
	Amount	Ratio	Amount	Ratio
	(Dollars in thousands)			
Origin Bancorp, Inc.				
Common equity tier 1 capital (to risk-weighted assets)	$ 360,069	9.35%	$ 351,697	9.42%
Tier 1 capital (to risk-weighted assets)	433,338	11.25	422,952	11.33
Total capital (to risk-weighted assets)	472,437	12.26	469,745	12.58
Tier 1 capital (to average assets)	433,338	10.53	422,952	10.67
Origin Bank				
Common equity tier 1 capital (to risk-weighted assets)	416,175	10.82	407,412	10.94
Tier 1 capital (to risk-weighted assets)	416,175	10.82	407,412	10.94
Total capital (to risk-weighted assets)	455,274	11.84	454,070	12.19
Tier 1 capital (to average assets)	416,175	10.13	407,412	10.31

Interest Rate Sensitivity and Market Risk

As a financial institution, our primary component of market risk is interest rate volatility. Our financial management policy provides management with guidelines for effective funds management and we have established a measurement system for monitoring the net interest rate sensitivity position.

Fluctuations in interest rates will ultimately impact both the level of income and expense recorded on most of our assets and liabilities, and the market value of all interest-earning assets and interest-bearing liabilities, other than those which have a short term to maturity. Interest rate risk is the potential of economic losses due to future interest rate changes. These economic losses can be reflected as a loss of future net interest income and/or a loss of current fair market values. The objective is to measure the effect on net interest income and to adjust the balance sheet to minimize the inherent risk while at the same time maximizing income.

We manage exposure to interest rates by structuring the balance sheet in the ordinary course of business. Additionally, from time to time we enter into derivatives and futures contracts to mitigate interest rate risk from

specific transactions. Based upon the nature of operations, we are not subject to foreign exchange or commodity price risk. We have entered into interest rate swaps to mitigate interest rate risk in limited circumstances, but it is not our policy to enter into such transactions on a regular basis.

Our exposure to interest rate risk is managed by Origin Bank's Asset-Liability Committee in accordance with policies approved by Origin Bank's board of directors. The committee formulates strategies based on appropriate levels of interest rate risk. In determining the appropriate level of interest rate risk, the committee considers the impact on earnings and capital of the current outlook on interest rates, potential changes in interest rates, regional economies, liquidity, business strategies and other factors.

The committee meets regularly to review, among other things, the sensitivity of assets and liabilities to interest rate changes, the book and market values of assets and liabilities, unrealized gains and losses, purchase and sale activities, commitments to originate loans and the maturities of investments and borrowings. Additionally, the committee reviews liquidity, cash flow flexibility, maturities of deposits and consumer and commercial deposit activity. We employ methodologies to manage interest rate risk which include an analysis of relationships between interest-earning assets and interest-bearing liabilities, and an interest rate shock simulation model.

We use interest rate risk simulation models and shock analysis to test the interest rate sensitivity of net interest income and fair value of equity, and the impact of changes in interest rates on other financial metrics. Contractual maturities and re-pricing opportunities of loans are incorporated in the model as are prepayment assumptions, maturity data and call options within the investment portfolio. The average life of non-maturity deposit accounts are based on our balance retention rates using a vintage study methodology. The assumptions used are inherently uncertain and, as a result, the model cannot precisely measure future net interest income or precisely predict the impact of fluctuations in market interest rates on net interest income. Actual results will differ from the model's simulated results due to timing, magnitude and frequency of interest rate changes as well as changes in market conditions and the application and timing of various management strategies.

On a quarterly basis, we run various simulation models including a static balance sheet and dynamic growth balance sheet. These models test the impact on net interest income and fair value of equity from changes in market interest rates under various scenarios. Under the static model, rates are shocked instantaneously and ramped rates change over a twelve-month and twenty-four month horizon based upon parallel yield curve shifts. Parallel shock scenarios assume instantaneous parallel movements in the yield curve compared to a flat yield curve scenario. Additionally, we run non-parallel simulation involving analysis of interest income and expense under various changes in the shape of the yield curve. Internal policy regarding internal rate risk simulations currently specifies that for instantaneous parallel shifts of the yield curve, estimated net interest income at risk for the subsequent one-year period should not decline by more than 8.0% for a 100 basis point shift, 15.0% for a 200 basis point shift, 20.0% for a 300 basis point shift, and 25.0% for a 400 basis point shift.

The following table summarizes the impact of an instantaneous, sustained simulated change in net interest income and fair value of equity over a 12-month horizon as of the date indicated:

	As of December 31, 2017	
Change in Interest Rates (basis points)	**% Change in Net Interest Income**	**% Change in Fair Value of Equity**
	(Dollars in thousands)	
+400	33.1 %	2.3 %
+300	24.9	1.4
+200	16.7	0.6
+100	8.4	0.3
Base		
-100	(8.6)	(0.6)

We have found that, historically, interest rates on deposits change more slowly than changes in the discount and federal funds rates. This assumption is incorporated into the simulation model and is generally not fully reflected in a gap analysis, meaning that process by which we measure the gap between interest rate sensitive assets verses interest rate sensitive liabilities. The assumptions incorporated into the model are inherently uncertain and, as a result, the model cannot precisely measure future net interest income or precisely predict the impact of fluctuations in market interest rates on net interest income. Actual results will differ from the model's simulated results due to timing, magnitude and frequency of interest rate changes as well as changes in market conditions and the application and timing of various strategies.

Impact of Inflation

Our consolidated financial statements and related notes included elsewhere in this prospectus have been prepared in accordance with US GAAP. These require the measurement of financial position and operating results in terms of historical dollars, without considering changes in the relative value of money over time due to inflation or recession. Inflation generally increases the costs of funds and operating overhead, and to the extent loans and other assets bear variable rates, the yields on such assets. Unlike most industrial companies, virtually all of the assets and liabilities of a financial institution are monetary in nature. As a result, interest rates generally have a more significant effect on the performance of a financial institution than the effects of general levels of inflation. In addition, inflation affects a financial institution's cost of goods and services purchased, the cost of salaries and benefits, occupancy expense and similar items. Inflation and related increases in interest rates generally decrease the market value of investments and loans held and may adversely affect liquidity, earnings and stockholders' equity.

Non-GAAP Financial Measurements

Our accounting and reporting policies conform to GAAP and the prevailing practices in the banking industry. Certain financial measures used by management to evaluate our operating performance are discussed in this prospectus as supplemental non-GAAP performance measures. In accordance with the SEC's rules, we classify a financial measure as being a non-GAAP financial measure if that financial measure excludes or includes amounts, or is subject to adjustments that have the effect of excluding or including amounts, that are included or excluded, as the case may be, in the most directly comparable measure calculated and presented in accordance with generally accepted accounting principles as in effect from time to time in the United States in the statements of income, balance sheet or statements of cash flows. Non-GAAP financial measures do not include operating and other statistical measures or ratios or statistical measures calculated using exclusively either financial measures calculated in accordance with GAAP, operating measures or other measures that are not non-GAAP financial measures or both.

The non-GAAP financial measures that we discuss in this prospectus should not be considered in isolation or as a substitute for the most directly comparable or other financial measures calculated in accordance with GAAP. Moreover, the manner in which we calculate the non-GAAP financial measures that are discussed in this prospectus may differ from that of other companies reporting measures with similar names. You should understand how such other banking organizations calculate their financial measures similar or with names similar to the non-GAAP financial measures discussed in this prospectus when comparing such non-GAAP financial measures.

We provide these measures in addition to, not as a substitute for, net income and earnings per share, which are reported in adherence to GAAP. Management and the board of directors review tangible book value per share, tangible book value per share as converted, tangible common equity to tangible assets, core revenue and return on average tangible common equity as part of managing the operating performance. We believe that these non-GAAP performance measures, while not substitutes for GAAP net income, earnings per share and total expenses, are useful for both management and investors when evaluating underlying operating and financial performance and its available resources.

- Book value per common share, as converted, is a non-GAAP measure commonly used by analysts and investors to evaluate financial institutions. To calculate book value per common share, as converted, we calculate common equity on an as-converted basis (calculated as stockholders' equity, including ESOP-owned shares, less SBLF preferred stock) and divide by the total of shares of common stock

outstanding plus Series D preferred shares outstanding. The most directly comparable GAAP financial measure for book value per common share, as converted is book value per common share.

- Tangible book value per common share is a non-GAAP measure commonly used by analysts and investors to evaluate financial institutions. To calculate tangible book value per common share we first calculate tangible common equity (calculated as stockholders' equity, including ESOP-owned shares, less preferred stock, goodwill and other intangible assets, net of accumulated amortization) and divide by shares of common stock outstanding. The most directly comparable GAAP financial measure for tangible book value per common share is book value per common share. We believe that this measure is important to many investors in the marketplace who are interested in changes from period to period in book value per common share exclusive of changes in intangible assets. Goodwill and other intangible assets have the effect of increasing total book value while not increasing tangible book value. Tangible book value per common share as converted is calculated as described above, but also assumes that all outstanding shares of Series D Preferred stock have been converted to common stock on a one-for-one conversion basis.

- Tangible common equity to tangible assets is a non-GAAP measure commonly used by financial analysts and investment bankers to evaluate financial institutions. We calculate tangible common equity as described above, and tangible assets as total assets less goodwill and other intangible assets, net of accumulated amortization.

- Core revenue is a non-GAAP measure commonly used by financial analysts and investment bankers to evaluate our performance. Core revenue excludes unusual items including losses on non-mortgage loans held for sale, gains or losses on sales and disposal of other assets, gains or loss on securities held for sale and other similar non-regular reoccurring items from the total of interest and noninterest income. The most directly comparable GAAP financial measure is total revenue.

- Return on average tangible common equity, as converted, is a non-GAAP measure commonly used by financial analysts and investment bankers to evaluate our performance. We calculate the return on average tangible common equity as our net income plus intangible amortization, net of tax, divided by the average tangible common equity (calculated as described above for tangible common equity, but using average balances).

The following table shows the calculation of these non-GAAP financial measures for the periods indicated:

	Years Ended December 31,	
	2017	2016
Calculation of tangible common equity:	(Dollars in thousands)	
Total stockholders' equity, including ESOP-owned shares	$ 455,342	$ 448,657
Less: Preferred stock, Series SBLF	48,260	48,260
Convertible preferred stock, series D	16,998	16,998
Goodwill and intangible assets, net	24,336	24,854
Total tangible common stockholders' equity, including ESOP-owned shares	$ 365,748	$ 358,545
Common shares outstanding at end of period	19,518,752	19,483,718
Common shares, as converted[1]	20,420,396	20,385,362
Book value per common share, as converted - Non-GAAP	$ 19.94	$ 19.64
Tangible book value per common share - Non-GAAP	18.74	18.40
Tangible book value per common share, as converted - Non-GAAP[1]	18.74	18.42
Calculation of tangible assets:		
Total assets	$ 4,153,995	$ 4,071,455
Less: Goodwill and intangible assets, net	24,336	24,854
Total tangible assets	$ 4,129,659	$ 4,046,601
Tangible common equity to tangible assets - Non-GAAP	8.86%	8.86%
Calculation of core revenue:		
Net interest income	$ 130,305	$ 120,683
Noninterest income	29,187	41,868
Adjustments to noninterest income for core revenue:		
Plus: Loss on non-mortgage loans held for sale, net	12,708	—
Less: Gain on sales of securities, net	—	136
Less: Gain (loss) on sales and disposals of other assets, net	1,036	(515)
Core revenue - non-GAAP	$ 171,164	$ 162,930
Calculation of average tangible common equity, as converted[1]:		
Total average stockholders' equity, including ESOP-owned shares	$ 460,219	$ 413,517
Less: Average preferred stock, Series SBLF	48,260	48,260
Average goodwill and intangible assets, net	24,594	25,535
Total average tangible common stockholders' equity, including ESOP-owned shares, as converted[1]	$ 387,365	$ 339,722
Calculation of net income, net of intangible amortization:		
Net income	$ 14,669	$ 12,850
Plus: Intangible amortization, net of tax	337	954
Total	$ 15,006	$ 13,804

[1] Assumes the conversion of 901,644 shares of Series D preferred stock into common stock on a one-for-one basis for the years ended December 31, 2017 and 2016, respectively.

We use several non-GAAP ratios to measure the impact of the nonperforming energy loans on our performance. These non-GAAP ratios include the ratio of allowance for loan losses to ending loan balance, excluding energy loans, and the ratio of net charge-offs to average loans, excluding energy loans.

- The ratio of allowance for loan losses to ending loan balance excluding energy loans is calculated by excluding the allowance for energy loans from the allowance for total loan losses and excluding the energy loans from the total loans and dividing the net allowance by the net loans. The most directly comparable GAAP financial measure is the ratio of ending allowance to ending loans.
- The ratio of net charge-offs to average loans excluding energy loans is calculated by excluding the energy loans charge-offs from the total charge-offs and excluding the average energy loans from the total average loans and dividing the net charge-offs by the net average loans. The most directly comparable GAAP financial measure is the ratio of charge-offs to average loans.

The following table shows the calculation of these non-GAAP financial measures for the periods indicated:

	December 31,	
	2017	**2016**
	(Dollars in thousands)	
Allowance for loan loss at end of period	$ 37,083	$ 50,531
Allowance for loan loss at end of period attributable to energy loans	5,160	18,292
Allowance for loan loss at end of period, excluding energy loans	$ 31,923	$ 32,239
Ending balance, loans held for investment	$ 3,241,031	$ 3,112,075
Ending balance, energy loans	54,338	151,025
Ending balance, loans held for investment, excluding energy loans	$ 3,186,693	$ 2,961,050
Ratio of ending allowance to ending loans	1.14%	1.62 %
Ratio of ending allowance to ending loans (excl. energy)	1.00	1.09
Net charge-offs	$ 21,667	$ 21,864
Net charge-offs attributable to energy loans	14,565	22,736
Net charge-offs, excluding energy loans	$ 7,102	$ (872)
Average total loans held for investment	$ 3,133,230	$ 3,060,715
Average energy loans	102,682	197,321
Average loans, excluding energy loans	$ 3,030,548	$ 2,863,394
Ratio of net charge-offs to average loans	0.69%	0.71 %
Ratio of net charge-offs to average loans (excl. energy)	0.23	(0.03)

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with GAAP and with general practices within the financial services industry. Application of these principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under current circumstances. These assumptions form the basis for our judgments about the carrying values of assets and liabilities that are not readily available from independent, objective sources. We evaluate our estimates on an

ongoing basis. Use of alternative assumptions may have resulted in significantly different estimates. Actual results may differ from these estimates.

We have identified the following accounting policies and estimates that, due to the difficult, subjective or complex judgments and assumptions inherent in those policies and estimates and the potential sensitivity of the financial statements to those judgments and assumptions, are critical to an understanding of our financial condition and results of operations. We believe that the judgments, estimates and assumptions used in the preparation of the financial statements are appropriate.

Loans and Allowance for Loan Losses. We account for loans based on originated loans held for investment and loans at fair value. The following provides a detailed discussion of these loan categories.

Loans where risk is managed on a fair value basis are measured at fair value, with changes in fair value recorded in noninterest income. For these loans, the earned current contractual interest payment is recognized in interest income. Loan origination costs and fees are recognized in earnings as incurred and not deferred. Because these loans are recognized at fair value, our nonaccrual, allowance for loan losses, and charge-off policies do not apply to these loans. Fair value is determined using discounted cash flows and credit quality indicators.

Loans that management has the intent and ability to hold for the foreseeable future, or until maturity or payoff, are reported at their outstanding unpaid principal balances adjusted for charge-offs, the allowance for loan losses, and any deferred fees or costs on originated loans. Interest income is accrued on the unpaid principal balance. Loan origination fees, and certain direct origination costs, are deferred and amortized as a yield adjustment over the lives of the related loans using the interest method. Late fees are recognized as income when earned, assuming collectability is reasonably assured.

In addition to loans issued in the normal course of business, we consider overdrafts on customer deposit accounts to be loans and classify these overdrafts as loans in its consolidated balance sheets.

Loans are placed on nonaccrual status when management believes that the borrower’s financial condition, after giving consideration to economic and business conditions and collection efforts, is such that collection of interest is doubtful, or generally when loans are 90 days or more past due. When accrual of interest is discontinued, all unpaid accrued interest is reversed. Past due status is based on contractual terms of the loan. Interest income on nonaccrual loans may be recognized to the extent cash payments are received, but payments received are usually applied to principal. Nonaccrual loans are generally returned to accrual status when principal and interest payments are less than 90 days past due, the customer has made required payments for at least six months, and we reasonably expect to collect all principal and interest.

Our allowance for loan losses is established as losses are estimated to have occurred through a provision for loan losses charged to earnings. Subsequent recoveries, if any, are credited to the allowance. The allowance for loan losses is evaluated on a regular basis by management and is based upon management’s periodic review of the collectability of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower’s ability to repay, estimated value of any underlying collateral, and prevailing economic conditions. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available. Loans are charged against the allowance for loan losses when management believes the loss is confirmed.

The allowance for loan losses is comprised of two components. The first component, the general reserve, is determined in accordance with current authoritative accounting guidance that considers historical loss rates for the last three years adjusted for qualitative factors based upon general economic conditions and other qualitative risk factors both internal and external to us. Such qualitative factors include current local economic conditions and trends including unemployment, changes in lending staff, policies and procedures, changes in credit concentrations, changes in the trends and severity of problem loans and changes in trends in volume and terms of loans. These qualitative factors serve to compensate for additional areas of uncertainty inherent in the portfolio that are not reflected in our historic loss factors. For purposes of determining the general reserve, the loan portfolio, government guaranteed loans and impaired loans, is multiplied by our adjusted historical loss rate.

The second component of the allowance for loan losses is the specific reserve. If a specific allocation is warranted, it is generally the result of an analysis of a classified credit or relationship. Typically, when it becomes evident through the payment history or a financial statement review that a loan or relationship is no longer supported by the cash flows of the asset and/or the borrower and has become collateral dependent, we will use third-party appraisals or other collateral analysis to determine if collateral impairment has occurred. Depending on the collateral type, third-party appraisals may utilize the cost, market and/or income approaches to determine fair value. When current third-party appraisals are not obtained due to feasibility or practicality, in-house evaluations are performed. These analyses take into account factors such as collateral type, age of the property, income production, disposal costs, the current market and/or other relevant factors. If the analysis indicates that impairment has occurred, then a specific allocation will be allocated for this loan. When our existing appraisal is outdated or the collateral has been subject to significant market changes, if practical, we will obtain a new appraisal for the impairment analysis. Cash flow available to service debt is used for non-collateral dependent impaired loans. This analysis is performed each quarter in connection with the preparation of the analysis of the adequacy of the allowance for loan losses and if necessary, adjustments will be made to the specific allocation provided for a particular loan.

A loan is considered impaired when, based on current information and events, it is probable that we will be unable to collect the scheduled payments of principal or interest when due according to the contractual terms of the loan agreement. Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting scheduled principal and interest payments when due. Impaired loans include nonperforming loans and loans modified in troubled debt restructurings, or TDRs. TDRs are loans for which the contractual terms on the loan have been modified and both of the following conditions exist: (1) the borrower is experiencing financial difficulty and (2) the restructuring constitutes a concession. Concessions could include a reduction in the interest rate on the loan, payment extensions, forgiveness of principal, forbearance or other actions intended to maximize collection. We assess all loan modifications to determine whether they constitute a TDR. All TDRs are considered impaired loans. Impairment is measured on a loan-by-loan basis by either the present value of expected future cash flows discounted at the loan's effective interest rate, the loan's obtainable market price or the fair value of the collateral if the loan is collateral dependent.

Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record, and the amount of the shortfall in relation to the principal and interest owed.

Delinquency statistics are updated at least monthly and are the most meaningful indicator of the credit quality of one-to-four single family residential, home equity loans and lines of credit and other consumer loans. Internal risk ratings are considered the most meaningful indicator of credit quality for commercial and industrial, construction, and commercial real estate loans. Internal risk ratings are a key factor in identifying loans that are individually evaluated for impairment and impact management's estimates of loss factors used in determining the amount of the allowance for loan losses. Internal risk ratings are updated on a continuous basis.

Loans Held for Sale. Loans held for sale consist of certain mortgage loans originated and intended for sale in the secondary market and are carried at estimated fair value on an individual loan basis. Net unrealized losses, if any, are recognized through a valuation allowance by charges to income. We obtain purchase commitments from secondary market investors prior to closing the loans to reduce market risk on mortgage loans in the process of origination and mortgage loans held for sale, and we are required to substitute another loan or buy back the commitment if the original loan does not fund. These commitments are derivative instruments carried at fair value.

Gains and losses on sales of loans held for sale are based on the difference between the selling price and the carrying value of the related loan sold. Fees received from borrowers to guarantee the funding of mortgage loans held for sale are recognized as income or expense when the loans are sold or when it becomes evident that the commitment will not be used.

Mortgage Servicing Rights and Transfers of Financial Assets. Gains or losses on "servicing-retained" loan sale transactions generally include a servicing fee component. The present value of the estimated future profit for servicing the loans is also taken into account in determining the amount of gain or loss on the sale of these loans. For loans sold servicing-retained, the fair value of mortgage servicing rights is recorded as an asset, with their value estimated using a discounted cash flow methodology to arrive at the present value of future expected earnings from the servicing of the loans. Significant model inputs include prepayment speeds, discount rates, and servicing costs. Servicing revenues are based on a contractual percentage of the outstanding principal and are recorded as income when earned.

Loans sold into the secondary market are considered transfers of financial assets. These transfers are accounted for as sales when control over the asset has been surrendered, which is deemed to have occurred when: an asset does not have any claims to it by the transferor or their creditors, including in bankruptcy or other receivership situations; the transferee obtains the unconditional right to pledge or exchange the asset; or the transfer does not include a repurchase provision above the limited recourse provisions of these loan sales.

Derivative Instruments and Hedging Activities. All derivatives are recorded on the balance sheet at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether we have elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk in a fair value hedge or the earnings effect of the hedged forecasted transactions in a cash flow hedge. During the term of the hedge contract the effective portion of changes in fair value in the derivative instrument are recorded in accumulated other comprehensive income. Changes in the fair value of derivatives to which hedge accounting does not apply are recognized immediately in earnings.

Income Tax Accounting. We estimate our income taxes for each period for which a statement of income is presented. This involves estimating our actual current tax exposure, as well as assessing temporary differences resulting from differing timing of recognition of expenses, income and tax credits for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included in our consolidated balance sheets. We actively participate in tax credit generating investments and accrue any credits in excess of taxes owed for the life of the carryforward period or until offset by eligible income taxes. We must also assess the likelihood that any deferred tax assets will be recovered from future taxable income and, to the extent that recovery is not likely, a valuation allowance must be established. Significant management judgment is required in determining income tax expense and deferred tax assets and liabilities.

Recent Accounting Pronouncements

ASU No. 2018-02, Income Statement - Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income. The amendments in this update allow a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the Tax Cuts and Jobs Act. Since these amendments only relate to the reclassification of the income tax effects of the Tax Cuts and Jobs Act, the underlying guidance that requires that the effect of a change in tax laws or rates be included in income from continuing operations is not affected. These amendments require that an entity disclose a description of the accounting policy for releasing income tax effects from accumulated other comprehensive income. These amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within those years. Early adoption is permitted, including adoption in any interim period, for reporting periods for which financial statements have not yet been issued. These amendments should be applied either in the period of adoption or retrospectively to each period in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Cuts and Jobs Act is recognized. The Company will adopt this ASU in the first quarter of 2018 and the impact on the consolidated financial statements or disclosures will not be significant.

ASU No. 2017-12, Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities. ASU 2017-12 permits hedge accounting for risk components in hedging relationships involving nonfinancial risk and interest rate risk. It also changes the guidance for designating fair value hedges of interest rate risk and for measuring the change in fair value of the hedged item in fair value hedges of interest rate risk. In addition to the amendments to the designation and measurement guidance for qualifying hedging relationships, the amendments in this ASU also align the recognition and presentation of the effects of the hedging instrument and the hedged item in the financial statements. This ASU requires an entity to present the earnings effect of the hedging instrument in the same income statement line item in which the earnings effect of the hedged item is reported. For public entities, these amendments are effective for fiscal years beginning after December 15, 2018 and interim periods within those fiscal years. Early application is permitted. The Company does not expect the adoption of this ASU to have a significant impact on the consolidated financial statements or disclosures.

ASU No. 2017-09, Compensation – Stock Compensation (Subtopic 718): Scope of Modification Accounting. ASU 2017-09 was issued to eliminate inconsistencies in the application of accounting for modifications of stock-based compensation awards. The ASU provides that an entity should account for the effects of a modification unless all of the following are met: (1) The fair value (or calculated value or intrinsic value, if such an alternative measurement method is used) of the modified award is the same as the fair value (or calculated value or intrinsic value, if such an alternative measurement method is used) of the original award immediately before the original award is modified. If the modification does not affect any of the inputs to the valuation technique that the entity uses to value the award, the entity is not required to estimate the value immediately before and after the modification, (2) The vesting conditions of the modified award are the same as the vesting conditions of the original award immediately before the original award is modified, and (3) The classification of the modified award as an equity instrument or a liability instrument is the same as the classification of the original award immediately before the original award is modified. This ASU is effective for annual periods and interim periods within those annual periods beginning after December 15, 2017. Early adoption is permitted, including adoption in an interim period. We adopted this ASU during the second quarter of 2017 and it did not impact the amounts or disclosures in the Company's consolidated financial statements.

ASU No. 2017-08, Receivables – Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on Purchased Callable Debt Securities. ASU 2017-08 shortens the amortization period for certain callable debt securities held at a premium. The ASU provides that premiums on these securities are to be amortized to the earliest call date. The accounting for securities held at a discount is not changed, and therefore, they are still required to be amortized to maturity. This ASU is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2018. Early adoption is permitted, including adoption in an interim period. The Company elected to adopt the provisions of ASU 2017-08 during the quarter ended March 31, 2017 in advance of the required application date. The adoption of this standard did not materially impact the amounts or disclosures in the Company's consolidated financial statements.

ASU No. 2017-04, Goodwill and Other (Topic 350) – Simplifying the Test for Goodwill Impairment. This ASU simplifies the accounting for goodwill impairment for all entities by requiring impairment charges to be based on the first step in today's two-step impairment test. Under the new guidance, if a reporting unit’s carrying amount exceeds its fair value, an entity will record an impairment charge based on that difference. The impairment charge will be limited to the amount of goodwill allocated to that reporting unit. The standard eliminates today’s requirement to calculate a goodwill impairment charge using Step 2, which requires an entity to calculate any impairment charge by comparing the implied fair value of goodwill with its carrying amount. For public business entities, this ASU is effective for annual periods beginning after December 15, 2019, and interim periods. The adoption of ASU 2017-04 is not expected to have a material impact on the amounts or disclosures in the Company's consolidated financial statements.

ASU No. 2016-18 —Statement of Cash Flows (Topic 230): Restricted Cash. ASU 2016-18 requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The amendments in this update are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal

years. Early adoption is permitted. The amendments in this update should be applied using a retrospective transition method to each period presented. The Company does not expect the ASU to have a significant impact on its consolidated statement of cash flows.

ASU No. 2016-15 —Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments. ASU 2016-15 adds or clarifies guidance on the classification of certain cash receipts and payments in the statement of cash flows. The amendments in this update are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Company does not expect the ASU to have a significant impact on the consolidated statements of cash flows.

ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. ASU 2016-13 amends guidance on reporting credit losses for assets held at amortized cost basis and available for sale debt securities. For assets held at amortized cost basis, Topic 326 eliminates the probable initial recognition threshold in current GAAP and, instead, requires an entity to reflect its current estimate of all expected credit losses. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected. For available for sale debt securities, credit losses should be measured in a manner similar to current GAAP, however Topic 326 will require that credit losses be presented as an allowance rather than as a write-down. This Accounting Standards Update affects entities holding financial assets and net investment in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. For public business entities that are SEC registrants, the amendments in the update are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. The Company continues to evaluate the impact of this ASU on the consolidated financial statements and disclosures.

ASU No. 2016-02, Leases (Topic 842). ASU 2016-02 requires lessees to put most leases on their balance sheets but recognize expenses in the income statement in a manner similar to current accounting treatment. This ASU changes the guidance on sale-leaseback transactions, initial direct costs and lease execution costs, and, for lessors, modifies the classification criteria and the accounting for sales-type and direct financing leases. For public business entities, this ASU is effective for annual periods beginning after December 15, 2018, and interim periods therein. Entities are required to use a modified retrospective approach for leases that exist or are entered into after the beginning of the earliest comparative period in the financial statements. The Company is evaluating the impact of this ASU on the consolidated financial statements and disclosures.

ASU No. 2016-01 —Financial Instruments —Overall (Subtopic 825-10). The main provisions of the update are to eliminate the available for sale classification of accounting for equity securities and to adjust the fair value disclosures for financial instruments carried at amortized costs such that the disclosed fair values represent an exit price as opposed to an entry price. The provisions of this update will require that equity securities be carried at fair market value on the balance sheet and any periodic changes in value will be adjustments to the income statement. A practical expedient is provided for equity securities without a readily determinable fair value, such that these securities can be carried at cost less any impairment. The provisions of this update become effective for interim and annual periods beginning after December 15, 2017. The disclosure of fair value of the loan and interest-bearing deposit portfolios will be presented using an exit price method instead of the current discounted cash flow. The Company has concluded that the remaining requirements of this update are not expected to have a material impact on the financial position, results of operations or cash flows.

ASU No. 2015-02, Consolidation (Topic 810) – Amendments to the Consolidation Analysis. ASU 2015-02 implements changes to both the variable interest consolidation model and the voting interest consolidation model. ASU 2015-02 (i) eliminates certain criteria that must be met when determining when fees paid to a decision-maker or service provider do not represent a variable interest, (ii) amends the criteria for determining whether a limited partnership is a variable interest entity and (iii) eliminates the presumption that a general partner controls a limited partnership in the voting model. The ASU became effective on January 1, 2017, and did not have a significant impact on the Company's financial statements.

ASU No. 2014-09, Revenue from Contracts with Customers. ASU 2014-09 states that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU affects entities that enter into contracts with customers to transfer goods or services or enter into contracts for the transfer of nonfinancial assets, unless those contracts are within the scope of other standards. In August 2015, the FASB issued *ASU 2015-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, which deferred the effective date of ASU 2014-09 for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Our revenue is comprised of net interest income on financial assets and financial liabilities, which is explicitly excluded from the scope of ASU 2014-09, and noninterest income. The identification of revenue streams within the scope of Topic 606 is complete, resulting in no impact on the Company's financial position, results of operations or cash flows, however, there will be additional disclosures required for noninterest income.

BUSINESS

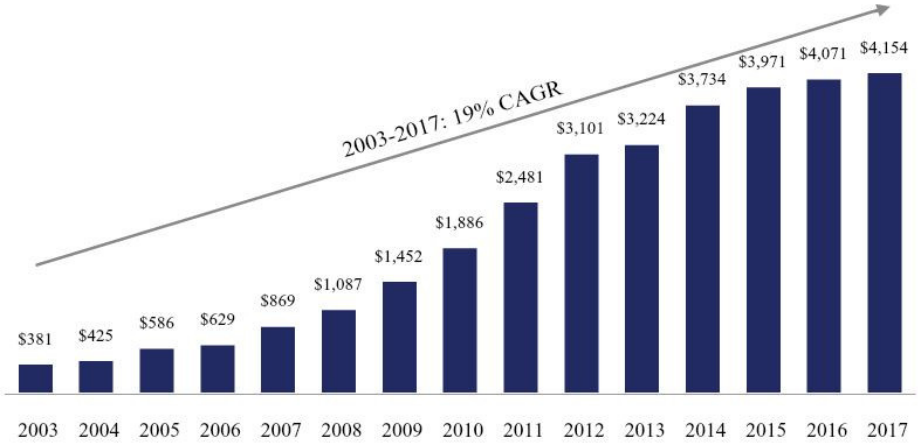
Our Company

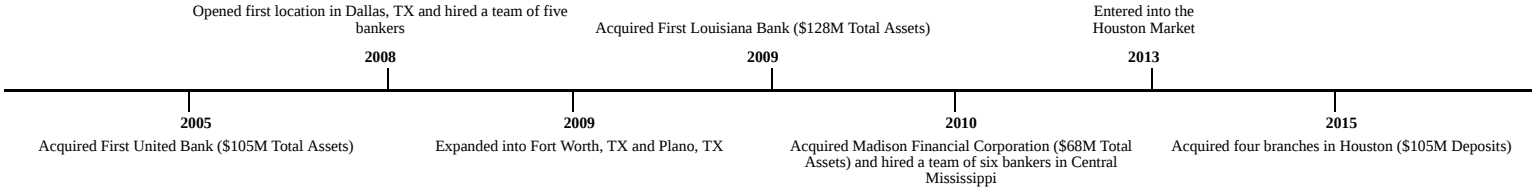
We are a financial holding company headquartered in Ruston, Louisiana. Our wholly owned bank subsidiary, Origin Bank, was founded in 1912. Deeply rooted in our history is a culture committed to providing personalized, relationship banking to our clients and communities. We provide a broad range of financial services to small and medium-sized businesses, municipalities, high net worth individuals and retail clients. We currently operate 41 banking centers from Dallas/Fort Worth, Texas across North Louisiana to Central Mississippi, which we refer to as the I-20 Corridor, as well as in Houston, Texas. As of December 31, 2017, we had total assets of $4.15 billion, total loans of $3.31 billion, total deposits of $3.51 billion and total stockholders' equity, including ESOP-owned shares, of $455.3 million.

We are committed to building unique client experiences through a strong culture, experienced leadership team and a focus on delivering unmatched customer service throughout Texas, Louisiana, and Mississippi. We are well-positioned for continued success based on (1) a talented team of relationship bankers, executives and directors, (2) a diverse footprint with stable and growth-oriented markets, (3) differentiated and customized delivery and service, (4) an ability to significantly leverage our infrastructure and technology and (5) our core deposit franchise.

For more than a century, building relationships has remained at the core of our banking philosophy, and based on this principle, we have established a strong culture, brand and reputation throughout our markets. In order to better serve, expand and capitalize on these relationships, our experienced leadership team has utilized strategic initiatives to enhance our growth through additional de novo banking centers and targeted acquisitions. Drake Mills was appointed Chief Executive Officer of Origin Bank in January 2003 and became our Chief Executive Officer in 2008. Under his leadership, we have developed our vision and strategic plan to become a leading regional financial holding company with a commitment to operating as a community bank regardless of our size. Since 2003, our consolidated assets have increased from approximately $380.6 million to approximately $4.15 billion as of December 31, 2017. Our growth has included further penetration of our legacy markets in North Louisiana as well as expansion into the Dallas/Fort Worth and Central Mississippi markets along the I-20 Corridor. Most recently, we expanded our franchise into Houston, Texas. The following chart illustrates our successful track record of growth in total assets, as we have experienced a compound annual growth rate, or CAGR, in total assets of 19% since 2003.

History of Growth in Total Assets ($M)





Successful execution of our strategic plan has produced significant growth in our franchise. Since 2005, we have enhanced our growth by integrating three bank acquisitions, entering several expansion markets, expanding our product offerings in mortgage lending and servicing as well as in insurance and private banking, and significantly growing market share in each of our markets. To support our growth, we have raised over $180.0 million of new capital since 2006, in addition to our internally generated capital, and we have supplemented our entry into expansion markets by hiring a number of experienced in-market bankers and banking teams.

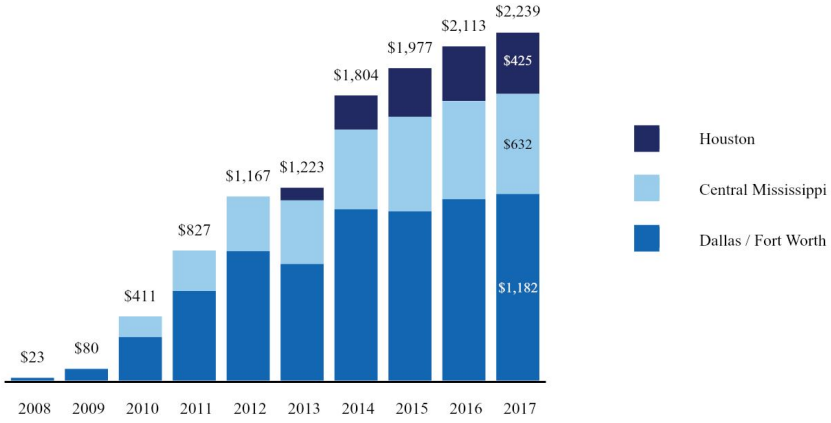
We believe we are well-positioned to continue to grow organically and through opportunistic lift-outs of relationship banking teams and acquisitions of franchises in both our legacy and newer markets. We also believe we are poised for ongoing growth in profitability as we further leverage our investments in technology and infrastructure. We believe our future growth and profitability will be predicated on our commitment to differentiate our company through creating a unique client experience as we continue to operate a relationship-focused community bank. Our approach has proven effective throughout our history in attracting and retaining clients and employees and in growing our communities and shareholder value.

Our Competitive Strengths and Banking Strategy

Proven Organic Growth Capabilities across Attractive Geographic Footprint

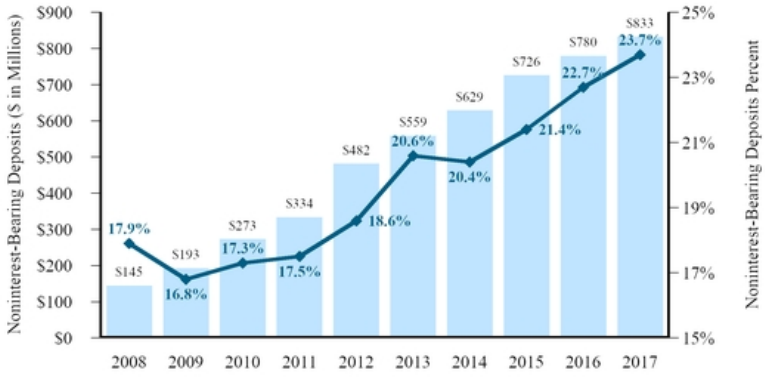
We have demonstrated an ability to grow our loans and deposits organically. Our team of seasoned bankers has been an important driver of our organic growth by further developing banking relationships with current and potential clients. We believe the strength of our culture and brand has been the core of our success in attracting talented bankers and banking relationships. In addition, our relationship bankers are motivated to increase the size of their loan and deposit portfolios and generate fee income while maintaining strong credit quality. As illustrated in the chart below, we have proven capabilities of entering diverse new markets and achieving strong growth and market share gains.

Loan Balances by Expansion Market ($M)



To promote our organic growth, we strategically locate banking centers within our markets and employ highly experienced relationship bankers who proactively develop valuable relationships within the communities that we serve. Through these relationships, our bankers are able to capitalize on loan demand across a wide range of industries. This allows us to not only diversify our loan portfolio, but also focus on loans with quality credit characteristics. We focus on generating core deposits and, in particular, noninterest-bearing deposits, as our primary funding source to support loan growth. We believe motivating our relationship bankers to generate strong core, noninterest-bearing deposit growth enhances our ability to build and strengthen client relationships and provide stable funding for our growth.

Noninterest-Bearing Deposits



Diverse Operating Markets

As further described in “Our Markets” below, we believe that our markets provide us with an advantage in terms of growing our loans and deposits, as well as increasing profitability and building shareholder value. We operate in markets that we believe offer an attractive combination of diversity, growth and stability in Texas, Louisiana and Mississippi. The Dallas/Fort Worth and Houston markets provide attractive economic environments and a large number of mid-sized business deposit and lending opportunities. Our legacy markets in North Louisiana offer a stable economic

climate and a lower cost deposit-gathering and operational platform. Our footprint within the Central Mississippi market represents areas of significant commercial growth and investment.

Our team's history of operating successful banking institutions in our markets spans, on average, well in excess of 20 years, and we have a strong reputation for delivering superior service in our markets. Our strong roots in the communities that we serve give us opportunities to grow market share in each of our markets in terms of deposits, assets and our fee income businesses.

Experienced Leadership

We are led by a team of banking professionals, each of whom has extensive experience with large regional banking institutions and maintains well-established relationships with the small to medium-sized business leaders in our market areas. Our commercial banking officers in our legacy Louisiana markets have an average of 23 years of banking experience, in our Mississippi markets have an average of 20 years of banking experience, in our Dallas/Fort Worth market have an average of more than 24 years of banking experience and in our Houston market have an average of more than 28 years of banking experience. We believe that the market knowledge and relationships obtained by these seasoned lenders in their respective markets, as well as our historical ability to attract and retain these officers, differentiates us from many of the financial institutions with which we compete.

Our executive management team is led by Chairman, President, and Chief Executive Officer, Drake Mills, a banker with over 34 years of banking experience who started out as a check file clerk with Origin Bank. Having worked his way up through our organization, Mr. Mills has served in various capacities including in-house system night operator, branch manager, consumer loan officer, commercial lender and Chief Financial Officer. He became President and Chief Operations Officer in 1997 and was named Chief Executive Officer of Origin Bank in 2003. He has served our holding company as President since 1998 and Chief Executive Officer since 2008 and as Chairman of our board of directors since 2012. Under his leadership as President and Chief Executive Officer, Origin Bank has grown from assets of $200.6 million to $4.15 billion, primarily through organic growth. Mr. Mills served on the Community Depository Institutions Advisory Council to the Federal Reserve Bank of Dallas from 2011 to 2014. He represented the Federal Reserve Bank of Dallas on the Community Depository Institutions Advisory Council to the Federal Reserve System in Washington, D.C., and was appointed as the council’s President for a one year term in 2013. He is also a past Chairman of the Louisiana Bankers Association. Mr. Mills oversees our executive management team as well as the development and execution of our strategic plan. His vision and leadership are instrumental in our growth and success.

M. Lance Hall is our Chief Operating Officer and Louisiana State President. Mr. Hall has served our organization for approximately 18 years through various roles including commercial lending and market management. Prior to joining Origin Bank, Mr. Hall spent four years at Regions Bank as a Credit Analyst and Commercial Relationship Manager. As our Chief Operating Officer, Mr. Hall manages our operations, information technology, strategic planning and brand teams.

Stephen H. Brolly is our Chief Financial Officer. Mr. Brolly has approximately 19 years of banking experience and, before joining us in January 2018, most recently served as Chief Financial Officer of Fidelity Southern Corporation (Nasdaq: LION) and its wholly owned subsidiary, Fidelity Bank, for approximately 10 years. Prior to his tenure with Fidelity Southern, he served as Senior Vice President and Controller of Sun Bancorp, Inc. (Nasdaq: SNBC) and its wholly owned subsidiary, Sun National Bank, for seven years. Mr. Brolly began his professional career in public accounting and spent 13 years at Deloitte & Touche.

F. Ronnie Myrick is our Chief Banking Officer. Mr. Myrick has served as Chief Banking Officer since 2017 and also as Chief Administration Officer since 2009. He oversees our regional presidents, retail banking, marketing and mortgage operations. He formerly served as Northeast Louisiana President of Deposit Guaranty National Bank, a wholly owned subsidiary of Deposit Guaranty Corporation, and prior to that he was President of Capital Bank of Delhi, Louisiana. Mr. Myrick has 50 years of experience in the banking industry.

Cary Davis is our Chief Risk Officer. He oversees our centralized loan underwriting team, credit administration, internal audit and enterprise risk management. Mr. Davis has 45 years of experience in the banking industry, more than 20 of which have been with Origin Bank. Before joining Origin Bank, he served in numerous executive officer capacities, including Executive Vice President and Chief Credit Officer, for Central Bank, a subsidiary of First Commerce Corporation, which was the second largest bank holding company in Louisiana at the time of its acquisition in 1998 by Banc One Corporation. Mr. Davis also spent four years with the Office of the Comptroller of the Currency as a bank examiner.

Complementing our experienced senior executive management team, our board of directors is comprised of well-regarded career bankers, professionals, entrepreneurs and business and community leaders with collective depth and experience in commercial banking, finance, real estate and manufacturing. Of our 13 directors, four have served previously on the boards of directors of banking institutions and three have held positions at commercial banks. Our directors have an average of more than 19 years of banking experience. In addition, 11 of our 13 directors qualify as independent under the rules of the Nasdaq Stock Market.

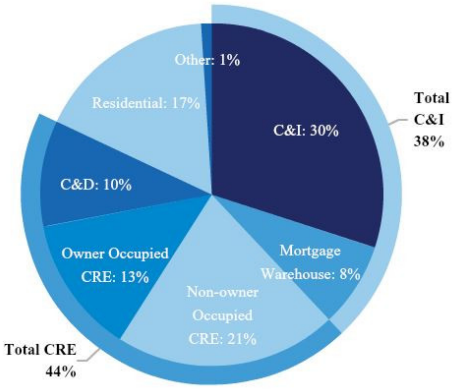
In addition to a strong and experienced management team and board of directors, we have built a deep roster of seasoned banking officers. We have a demonstrated ability to grow our company organically through the identification, hiring and retention of high quality bankers. We have hired bankers with significant in-market experience in order to create a pool of qualified executive and middle management talent to support scalability. We are also committed to the development of talent within our company through training and promotions, which has led to long-term continuity of talented employees and has assisted in recruiting others. We hire people who are naturally service-oriented and train them to do everything needed to provide a high level of support to our clients. These efforts have created a strong talent pool to fuel our long-term growth prospects.

Variety of Sophisticated Banking Services

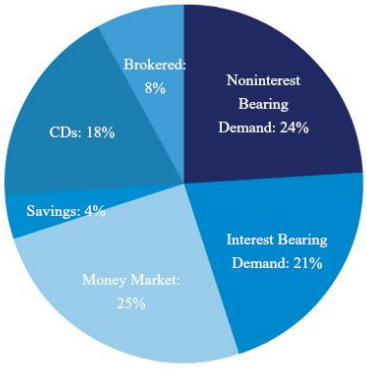
We provide products and services that compete with large, national banks, but with the personalized attention and responsiveness of a relationship-focused community bank. Our offerings include traditional retail deposits, treasury management, commercial deposits, mortgage origination and servicing, insurance, mobile banking and online banking. Our clients value our ability to provide the sophisticated products and services of larger banks, but with a local and agile decision-making process, a focus on building personal relationships, and a commitment to investing in the local economy and community. This allows us to build Origin Bank on low-cost core deposit relationships, high credit quality loans, and fee income generated by value-added services. It also allows us to develop strong relationships across industries, creating a diverse commercial loan portfolio.

We believe we have an attractive mix of loans and deposits. As of December 31, 2017, our loans held for investment portfolio was comprised of 38% commercial and industrial, or C&I, loans, and 44% commercial real estate, or CRE, loans. This focus on commercial lending increases the asset sensitivity of our balance sheet, positioning us well for a rising-rate environment, and provides ample growth opportunities due to our limited real estate concentrations. As of December 31, 2017, approximately 24% of our deposits were noninterest-bearing demand deposits and our cost of deposits was 0.56% for the year ended December 31, 2017.

Loan Composition (12/31/17)

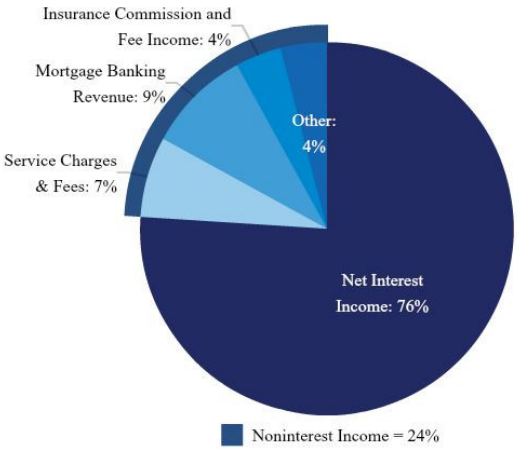


Deposit Composition (12/31/17)



We have been able to generate significant and diverse noninterest income with the variety of services offered at Origin Bank. Our mortgage origination and mortgage servicing operations have enabled us to develop new relationships with customers, while also enhancing core deposit growth and generating fee income. Our insurance, treasury management and banking products and services provide a more comprehensive advisory relationship with our customers, in particular the owners and management of many of our commercial banking customers.

Core Revenue Distribution (2017)[1]



(1) We calculate core revenue as net interest income plus noninterest income less losses on non-energy loans held for sale and gains on sales and disposals of other assets. For more information, please refer to the section of this prospectus titled "Management's Discussion and Analysis of Financial Condition and Results of Operations - Non-GAAP Financial Measurements."

Ability to Leverage Our Infrastructure and Generate Significant Growth in Profitability

We are able to provide cost-effective accounting, finance, risk management, information technology, human resources and marketing services to our bank markets and our other affiliates from our principal executive offices and operations center in North Louisiana. We believe this organizational structure creates a competitive advantage for us by removing the burden of maintaining the “back office” from our markets, thus allowing our relationship bankers to focus on being responsive, efficient and flexible in serving our clients. We further believe that our investments in core systems and infrastructure provide us with a scalable platform that enhances the efficiency of our organization and positions us to grow our franchise both organically and through acquisitions in a cost-efficient manner. We have a robust infrastructure bolstered by our continued investment in our core operating system, mobile delivery and technology that can support our model as we grow in our legacy and newer markets either organically or through opportunistic acquisitions.

We utilize our strong, centralized risk and credit support infrastructure to operate each of our markets as connected businesses. Each of our market leaders is empowered to make local decisions up to specified limits set by our executive management team under the direction of our board of directors. We believe that the delivery by our bankers of in-market credit decisions, coupled with our infrastructure and strong enterprise risk management, allow us to best serve our clients while maintaining consistent credit quality across our franchise. This operating model has proven beneficial in our legacy markets and successfully replicated in our expansion markets. Similar to our expansions into Central Mississippi and Dallas/Fort Worth, we have built an infrastructure in Houston with the ability for growth and scalability. Historically, we have successfully grown deposits and loans per banking center in our expansion markets over time and expect Houston will scale in like manner over the near term. While our investments in the Houston market have impacted our short-term profitability, we believe these investments will enable the same success over the long term we have experienced in our other expansion markets.

Franchise Scale by Expansion Market

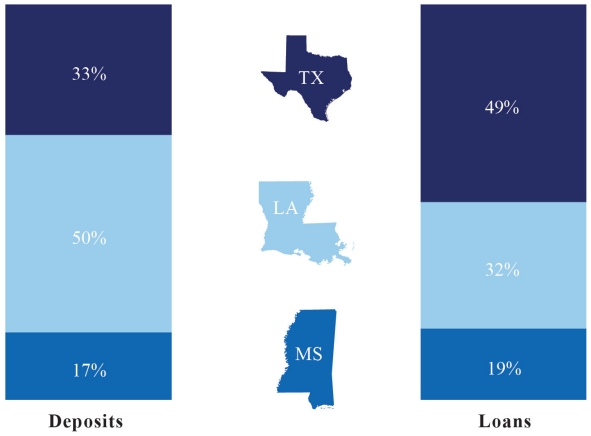
(Dollars in Millions) Region	Year of Entry	As of December 31, 2017 Total Deposits	Deposits / Banking Center	Total Loans	Loans / Banking Center	Banking Centers
Dallas/Fort Worth, TX	2008	$ 646.6	$ 80.8	$ 1,182.0	$ 147.8	8
Central Mississippi	2010	572.7	114.5	631.9	126.4	5
Houston	2013	520.8	57.9	425.4	47.3	9
Total / Average		$ 1,740.1	$ 79.1	$ 2,239.3	$ 101.8	22

We also continue to make significant investments in technology to improve customer experience and create efficiencies across our enterprise. We seek to engage leading service providers to enhance our technology platform, such as our online banking products and our mobile applications, in order to remain on the forefront of banking innovation. We believe our technology offerings are superior to those offered by many similar-sized competitors and comparable to those of the nation's largest banks.

Our Markets

We operate in markets that we believe offer an attractive combination of diversity, growth and stability in Texas, Louisiana and Mississippi. We believe our current market areas provide abundant opportunities to continue to grow our client base, increase loans and deposits and expand our overall market share. We also expect to be able to replicate this growth in expansion markets as we continue to expand our relationships and execute our strategy.

Deposits and Loans by State (12/31/2017)



We believe the diversity of our markets offers a number of benefits to us. In our legacy Louisiana markets, including the Ruston and Monroe metropolitan statistical areas, or MSAs, we rank first in deposit market share with approximately 54% and 21%, respectively, as of June 30, 2017. Along the I-20 Corridor and in Houston, we continue to gain scale and market share within our expansion due to our relationship-driven approach and commitment to the communities in which we operate. We seek to become a leading franchise in each community that we serve, and we believe we are well positioned to continue to grow relationships throughout our geographic footprint.

The following table highlights certain statistics within the primary MSAs we serve:

Markets	Deposits (millions)	# of Branches	Market Rank	Market Share	2017 Median HH Income (in thousands)	2017 Total Population (Actual)	Est. 5yr Total Growth	
							HHI	Population
North Louisiana:								
Monroe, LA MSA	$ 674.8	9	1	20.6%	$ 40.4	179,930	3.7%	1.8%
Ruston, LA MSA	655.7	6	1	53.5	37.8	47,933	6.7	2.1
Shreveport- Bossier City, LA MSA	331.1	3	7	4.0	47.3	439,839	7.3	0.4
Dallas/Fort Worth, TX MSA	676.1	8	34	0.3	68.1	7,418,556	9.8	7.7
Jackson, MS MSA	563.5	4	5	4.1	49.3	580,462	6.0	1.0
Houston, TX MSA	459.3	9	40	0.2	67.2	6,980,780	7.7	8.3

Source: S&P Market Intelligence. FDIC deposit data as of June 30, 2017. Number of branches as of February 28, 2018, but does not include branches in Oxford, Mississippi or Bastrop, Louisiana, which are not encompassed within the metropolitan statistical areas set forth above.

North Louisiana. North Louisiana has been home to Origin Bank for over a century. The economy throughout the region has remained stable and provided consistent growth over the years. Ranked as the most cost competitive place to do business in the nation by Forbes.com for five years, North Louisiana offers both value and quality. The I-20 corridor stretching from Shreveport-Bossier across North Louisiana is a main transportation hub and over the past decade has become a technology center, linking major employers like Centurylink and IBM with cyber-innovation initiatives from Louisiana Tech University and Barksdale Air Force Base. Eleven colleges and universities are located in North Louisiana and generate the innovations necessary to increase productivity and produce top quality graduates needed to sustain business growth and expansion. Top business sectors throughout the region include healthcare, finance, government, manufacturing, and telecommunications. North Louisiana's diversified economy and low-cost of doing business has helped create a pro-business environment. Our North Louisiana franchise also provides us with a significant amount of low-cost deposits, which help us fund our lending activities.

Dallas/Fort Worth. The Dallas/Fort Worth market is made up of 12 counties with approximately 7.4 million people. It is the largest metropolitan area in the state of Texas and offers a multitude of business opportunities. Dallas/Fort Worth has shown strong growth over recent years and according to the U.S. Census Bureau ranked first in the nation for year-over-year growth in 2016. Over the past five years, 650,000 new residents have moved to the area, which equates to approximately 360 new residents per day. Dallas/Fort Worth is home to 22 Fortune 500 companies and boasts a diverse economy made up of telecommunications, healthcare, technology and transportation. The presence of larger corporations continues to drive economic diversity and attracts new businesses with ties to these larger corporations. According to projections issued by American City Business Journal, Dallas/Fort Worth's population is expected to rise to 11 million people by 2040. This growth creates an abundance of opportunity and makes Dallas/Fort Worth an attractive place for business and industry to thrive.

Central Mississippi. The Central Mississippi market boasts the most attractive environment for business and economic growth in the state. The region of Madison, Hinds and Rankin Counties has the largest labor force as well as the highest per capita income in Mississippi. This is a direct reflection of high paying jobs and an educated workforce. With Jackson as the capital, the State of Mississippi is the largest employer in the area and helps insulate the market through economic cycles. The Jackson metro area is home to the major manufacturing facilities of Nissan and Toyota. The market is also the healthcare epicenter of the state, providing thousands of jobs and supporting the dental and medical schools at the University of Mississippi Medical Center. Along with manufacturing and healthcare, other major sectors of the local economy include agriculture, transportation, and technology companies among many industries that operate in this economy. With Jackson as the geographical and industrial center of the state, there is significant opportunity for growth.

Houston. The Houston region is one of the nation's most attractive major metropolitan areas to live and work. Houston is the nation's fourth most populous city and fifth largest MSA and is expected to grow between one million and two million residents per decade over the next 40 years. With $479 billion in MSA Gross Domestic Product for 2016, Houston is also the sixth largest U.S. metro economy and is expected to grow 3.1% annually from 2015 to 2040, effectively doubling its economy during that period. If Houston were an independent nation, it would rank as the world's 24th largest economy. Among U.S. ports, the Port of Houston ranks 1st in import tonnage for 26 straight years and 2nd in total tonnage for 24 straight years, and it is the largest container port on the Gulf Coast. Houston's Texas Medical Center is the world's largest medical complex by multiple measures including: number of hospitals, number of physicians, square footage and patient volume. Houston ranks fourth in the nation in the number of corporate headquarters and, among the 100 largest non-U.S.-based corporations, 58 have a presence in Houston. Compared to the nation's 20 most populated metro areas, Houston's housing costs are 39.6% below the average, and its overall living costs are 23.1% below the average.

Lending Activities

We originate loans primarily secured by single and multi-family real estate, residential construction and commercial buildings. In addition, we make loans to small and medium-sized businesses, as well as to consumers for a variety of purposes. Our loan portfolio as of the dates indicated was comprised as follows:

	December 31,				
	2017	2016	2015	2014	2013
	(Dollars in thousands)				
Real estate:					
Commercial real estate	$ 1,083,275	$ 1,026,752	$ 861,540	$ 793,408	$ 651,440
Construction/land/land development	322,404	311,279	310,773	258,421	221,306
Residential real estate loans	570,583	414,226	429,137	349,526	325,924
Total real estate	$ 1,976,262	$ 1,752,257	$ 1,601,450	$ 1,401,355	$ 1,198,670
Commercial and industrial loans	989,220	1,135,683	1,232,265	1,273,551	1,078,135
Mortgage warehouse lines of credit	255,044	201,997	156,803	199,794	127,465
Consumer loans	20,505	22,138	22,145	22,724	25,592
Total loans held for investment	$ 3,241,031	$ 3,112,075	$ 3,012,663	$ 2,897,424	$ 2,429,862

Additionally, we have entered into contractual obligations in the forms of lines of credit and standby letters of credit, to extend approximately $1.15 billion in credit at December 31, 2017. We use the same credit policies in making these commitments as we do for our other loans.

Commercial Real Estate Loans. We primarily originate commercial real estate loans and construction/land/land development loans which are generally secured by real estate located in our market areas. Our commercial mortgage loans are generally collateralized by first liens on real estate and amortized over a 10 to 20 year period with balloon payments due at the end of one to five years. These loans are generally underwritten by addressing cash flow (debt service coverage), primary and secondary source of repayment, the financial strength of any guarantor, the strength of the tenant (if any), the borrower's liquidity and leverage, management experience, ownership structure, economic conditions and industry specific trends and collateral. We generally will loan up to 80.0% of the value of improved property when the property is owner-occupied or is a Class A apartment building. We generally loan less than 80.0% of the value of other improved property, 50.0% of the value of raw land and 65.0% of the value of land to be acquired and developed. A first lien on the property and assignment of lease is required if the collateral is rental property, with second lien positions considered on a case-by-case basis. Our lending policy generally prohibits making loans secured by second mortgages on commercial real estate.

Consumer Loans. Our consumer loan portfolio is primarily composed of secured and unsecured loans that we originate. The performance of consumer loans will be affected by the local and regional economy as well as the rates of personal bankruptcies, job loss, divorce and other individual-specific characteristics. The largest component

of our consumer loan portfolio is for residential real estate purposes. We originate one-to-four family, owner occupied residential mortgage loans generally secured by property located in our primary market areas. The majority of our residential mortgage loans consist of loans secured by owner occupied, single family residences. Residential real estate loans have a maximum loan-to-value ratio of up to 89.0%, with 80.0% as the preferred loan-to-value ratio. These loans are underwritten by giving consideration to the borrower's ability to pay, stability of employment or source of income, debt-to-income ratio, credit history and loan-to-value ratio. Consumer loans also include closed-end second mortgages, home equity lines of credit and our mortgage loans held for sale, which consist of participations purchased in single-family residential mortgages funded through our warehouse lending group, as well as loans that we make in our real estate lending group.

Commercial and Industrial Loans. Commercial and industrial loans are made for a variety of business purposes, including working capital, inventory, equipment and capital expansion. The terms for commercial loans are generally one to seven years. Commercial loan applications must be supported by current financial information on the borrower and, where appropriate, by adequate collateral. Commercial loans are generally underwritten by addressing cash flow (debt service coverage), primary and secondary sources of repayment, the financial strength of any guarantor, the borrower's liquidity and leverage, management experience, ownership structure, economic conditions and industry specific trends and collateral. The loan-to-value ratio depends on the type of collateral. Generally speaking, accounts receivable are financed at 50.0% to 80.0% of accounts receivable less than 90 days past due. Inventory financing will range between 50.0% and 80.0% depending on the borrower and nature of inventory. We require a first lien position for those loans. The category of commercial and industrial loans also includes mortgage warehouse loans. In our mortgage warehouse lending operations, our loans to mortgage companies are secured by loan participations in mortgages that are typically sold within 20 to 30 days. Volumes fluctuate based on the level of market demand in the product and the number of days between purchase and sale of the participated loans.

Credit Risks. The principal economic risk associated with each category of the loans that we make is the creditworthiness of the borrower and the ability of the borrower to repay the loan. General economic conditions affect borrower creditworthiness. General factors affecting a commercial borrower's ability to repay include interest rates, inflation and the demand for the commercial borrower's products and services, as well as other factors affecting a borrower's customers, suppliers and employees.

Risks associated with real estate loans also include fluctuations in the value of real estate, new job creation trends, tenant vacancy rates and, in the case of commercial borrowers, the quality of the borrower's management. Consumer loan repayments depend upon the borrower's financial stability and are more likely than commercial loans to be adversely affected by divorce, job loss, illness and other personal hardships.

Lending Philosophy. Our lending philosophy is driven by our commitment to centralized underwriting for all loans, local market knowledge, long term customer relationships and a conservative credit culture. To implement this philosophy we have established various levels of authority and review, including our Credit Risk Management Group comprised of our Chief Credit Officer and our senior credit officers, as well as our credit risk review group and underwriting group. In our review we emphasize cash flow and secondary and tertiary repayment sources such as guarantors. We generally avoid lending to highly cyclical industries such as forest products, lodging and residential real estate development. We also generally avoid making certain higher risk types of loans including floor plans, special/limited use real estate, mobile home parks, small restaurants, raw land, retail real estate, poultry farming, logging, speculative house/condo lending and car washes.

Lending Policies. We have established common documentation and policies, based on the type of loan. We also have established a corporate loan committee comprised of our Chief Risk Officer, Deputy Chief Risk Officer, two senior credit officers, the Chairman/Chief Administration Officer of Origin Bank and our four regional presidents. One of our directors, who is also a member of the director's loan committee (described in more detail below) attends each week on a rotating monthly basis. The corporate loan committee has authority to approve up to the legal lending limit of Origin Bank. Credits of $5.0 million or greater are generally presented for review or approval prior to committing to the loan. The corporate loan committee meets weekly and on an ad hoc basis as needed.

Origin Bank's board of directors periodically reviews lending policies and procedures. There are legal restrictions on the dollar amount of loans available for each lending relationship. As of December 31, 2017, the bank's legal lending limit under the Louisiana Banking Law and the Federal Reserve's Regulation O was $155.4 million secured, $62.1 million unsecured and $68.3 million for insiders. As of December 31, 2017, we had established a general in-house lending limit ranging between $25.0 million and $30.0 million to any one borrower ($30.0 million to $40.0 million for purchased participation mortgage warehouse credits), based upon our internal risk rating of the relationship.

Loan Approval Procedures. We have established loan approval procedures as follows:

- *Individual Authorities*. The Credit Risk Management Group establishes the authorization levels for individual loan officers on a case-by-case basis after conferring with market managers. Generally, the more experienced a loan officer, the higher the authorization level. The approval authority for individual loan officers ranges from $20,000 to $2.0 million for secured loans and from $5,000 to $1.0 million for unsecured loans. The schedule of loan authorities is reviewed and ratified by the board of directors annually. Currently, the only loan officers with maximum individual loan authority are our regional presidents, the Chairman/Chief Administration Officer, and the President/Chief Executive Officer.

- *Credit Risk Officer Authorities*. With respect to secured loans, the approval authorization levels for Origin Bank's credit risk officers range from $10.0 million for our Chief Credit Officer to $20.0 million for our Chief Risk Officer. On an unsecured basis, our credit risk officers have approval authorities ranging from $5.0 million for our Chief Credit Officer to $10.0 million for our Chief Risk Officer.

- *Business and Consumer Lending Services*. This unit within the Credit Risk Management Group provides central underwriting and approval for all consumer purpose loans and small business loans up to $1.5 million.

- *Corporate Loan Committee*. We have given our corporate loan committee loan approval authority up to the in-house lending limit of Origin Bank. Credits in excess of individual loan limits are approved either by a credit risk officer or the corporate loan committee. The corporate loan committee consists of the regional presidents, the credit risk officers, and the Chairman/Chief Administration Officer of Origin Bank and is chaired by the bank's Chief Risk Officer. A rotating member of the directors' loan committee is also a voting participant at each meeting. All loans with total exposure exceeding $5.0 million are generally presented to the corporate loan committee for review or approval.

- *Directors' Loan Committee*. We have a directors' loan committee consisting solely of outside directors. A majority of these directors must be present to establish a quorum. This committee is chaired by a seasoned outside director. The directors' loan committee reviews loans on a monthly basis that have been approved by the corporate loan committee.

*Energy Lending***.** Our energy lending portfolio totaled $54.3 million at December 31, 2017, a decrease of $96.7 million, or 64.0%, from December 31, 2016. The following table shows our total energy lending portfolio by segment type as of the dates indicated. Additionally, at December 31, 2017, we had unfunded energy lending commitments of $63.2 million, compared to $54.6 million in unfunded energy lending commitments as of December 31, 2016.

	As of December 31,				
	2017	2016	2015	2014	2013
	(Dollars in thousands)				
Energy related loans					
Exploration and production	$ 1,108	$ 51,374	$ 96,548	$ 126,143	$ 46,310
Midstream	13,000	37,799	42,871	80,046	58,598
Service companies	40,230	61,852	104,197	108,392	116,275
Total	$ 54,338	$ 151,025	$ 243,616	$ 314,581	$ 221,183
Total loans held for investment	3,241,031	$ 3,112,075	$ 3,012,663	$ 2,897,424	$ 2,429,862
Energy loans as a percentage of total loans held for investment	1.7%	4.9%	8.1%	10.9%	9.1%

All of our energy loans are reflected within the commercial and industrial line item of the loan composition table above. Energy loans represented approximately 5.5% and 13.3% of our total commercial and industrial loans as of December 31, 2017 and December 31, 2016, respectively.

Despite the deterioration in credit quality of our energy portfolio, the overall credit quality of our commercial and industrial loan portfolio remains strong with approximately 92.5% of the outstanding balances graded as “pass,” where the probability of default is considered low, as of December 31, 2017.

Deposits and Other Sources of Funds

An important aspect of our business franchise is the ability to gather deposits. As of December 31, 2017, we held $3.51 billion of total deposits. We have grown deposits at a compounded annual growth rate of 19.4% since December 31, 2003. As of December 31, 2017, 85.7% of our total deposits were core deposits (defined as total deposits excluding time deposits greater than $250,000 and brokered deposits). We offer a wide range of deposit services, including checking, savings, money market accounts and time deposits. We obtain most of our deposits from individuals, small businesses and municipalities in our market areas. One area of focus has been to create a deposit-focused sales force of business development bankers with extensive contacts and connections with targeted clients and centers of influence throughout our communities. We have a specific incentive plan focused on low-cost, core deposit growth. This deposit team is focused on driving relationships and noninterest-bearing accounts. We believe that the rates we offer for core deposits are competitive with those offered by other financial institutions in our market areas. Secondary sources of funding include advances from the Federal Home Loan Bank of Dallas, borrowings at the Federal Reserve Discount Window and other borrowings. These secondary sources enable us to borrow funds at rates and terms, which, at times, are more beneficial to us.

Mortgage Banking

We are also engaged in the residential mortgage banking business, which primarily generates income from the sale of mortgage loans as well as the servicing of residential mortgage loans for others. We originate residential mortgage loans in our markets as a service to our existing customers and as a way to develop relationships with new customers, in order to support our core banking strategy. Our mortgage banking revenue is affected by changes in the fair value of mortgage loans originated with the intent to sell because we measure these loans at fair value under the fair value option. Our mortgage banking revenue is also impacted by changes in the value of mortgage servicing rights, primarily driven by changes in long-term mortgage interest rates. Revenue from our mortgage banking activities was $15.8 million and $14.9 million for the years ended December 31, 2017 and 2016, respectively.

Insurance

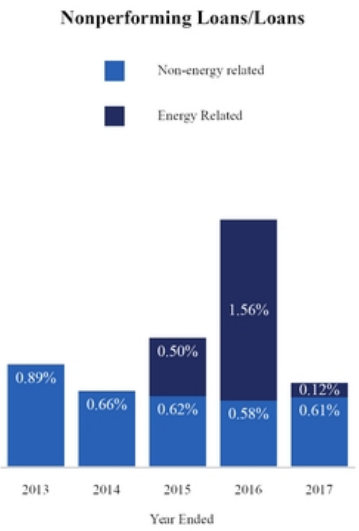
We offer a wide variety of personal and commercial property and casualty insurance products through Thomas & Farr Agency, LLC, our indirect wholly owned subsidiary. With 30 years of growth in the insurance industry and more than 40 experienced professionals, Thomas & Farr Agency has three primary market locations across North Louisiana, but also serves customers in Arkansas, Mississippi, Texas and other states across the U.S. We also have a 38% interest in Lincoln Agency, LLC, a full-service insurance agency operating in North Louisiana. Insurance commission and fee revenues derived from our subsidiaries were $7.2 million and $6.8 million for the years ended December 31, 2017 and 2016, respectively.

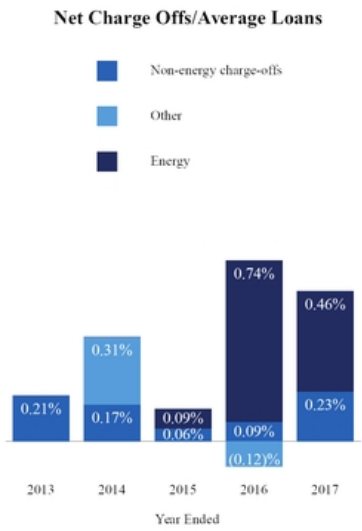
Other Banking Services

Given customer demand for increased convenience and account access, we offer a range of products and services, including 24-hour Internet banking and voice response information, mobile applications, cash management, overdraft protection, direct deposit, safe deposit boxes, U.S. savings bonds and automatic account transfers. We earn fees for most of these services. We also receive ATM transaction fees from transactions performed by our customers participating in a shared network of automated teller machines and a debit card system that our customers can use throughout the United States, as well as in other countries.

Enterprise Risk Management

We seek to prudently identify and manage our risks through a disciplined, enterprise-wide approach to risk management, particularly credit, compliance and interest rate risk. Our risk management framework is overseen by our Chief Risk Officer, who has more than 40 years of banking experience. We also maintain risk management committees at the bank and holding company levels. We endeavor to maintain asset quality through an emphasis on local market knowledge, long-term client relationships, centralized underwriting for all loans and a conservative credit culture. Despite the deterioration in credit quality of our energy portfolio, the overall credit quality of our loan portfolio remains strong. In 2014, we experienced an increase in net charge-offs due to a single fraudulent loan relationship, for which we obtained a partial recovery in 2016, and in 2015-2016 nonperforming loans and net charge-offs were elevated within our energy loan portfolio. Excluding these items, our ratio of net charge-offs to average loans has averaged 0.16% over the last five years. As of December 31, 2017, energy loans accounted for approximately 15.9% of nonperforming loans.





Information Technology Systems

We continue to make significant investments in our information technology systems for our banking operations and treasury services. We believe that these investments are essential to enhance our capabilities to offer new products and overall customer experience, to provide scale for future growth and acquisitions, and to increase controls and efficiencies in our back-office operations. We have obtained our core data processing platform from a nationally recognized bank processing vendor providing us with capabilities to support the continued growth of Origin Bank. We leverage the capabilities of a third-party service provider to provide the technical expertise around network design and architecture that is required for us to operate as an effective and efficient organization. We actively manage our business continuity plan. We strive to follow all recommendations outlined by the Federal Financial Institutions Examination Council in an effort to provide that we have effectively identified our risks and documented contingency plans for key functions and systems including providing for back-up sites for all critical applications. We perform tests of the adequacy of these contingency plans on at least an annual basis.

The majority of our other systems, including electronic funds transfer and transaction processing, are operated in-house. Online banking services and other public-facing web services are performed using third-party service providers. The scalability of this infrastructure is designed to support our expansion strategy. These critical business applications and processes are included in the business continuity plans referenced above.

Properties

Our executive offices and those of Origin Bank are located at 500 South Service Road East, Ruston, Louisiana 71270. Our primary offices outside of Louisiana are located in Dallas, Texas, Houston, Texas and Ridgeland, Mississippi. The bank owns its main office building and 25 of its banking centers, as well as a controlling interest in its operations center. The remaining facilities are occupied under lease agreements, terms of which range from month to month to 19 years. We believe that our banking and other offices are in good condition and are suitable and adequate to our needs.

Competition

The banking business is highly competitive, and our profitability will depend in large part based upon our ability to compete with other banks and non-bank financial service companies located in our markets for lending opportunities, deposit funds, financial products, bankers and acquisition targets.

We are subject to vigorous competition in all aspects of our business from banks, savings banks, savings and loan associations, finance companies, credit unions and other financial service providers, such as money market funds, brokerage firms, consumer finance companies, asset-based non-bank lenders, insurance companies and certain other non-financial entities, including retail stores which may maintain their own credit programs and certain governmental organizations which may offer more favorable financing than we can.

We conduct business through 41 banking centers in our key market areas of North Louisiana, Central Mississippi, Dallas/Fort Worth and Houston. Many other commercial banks, savings institutions and credit unions have offices in our primary market areas. These institutions include many of the largest banks operating in Texas, Louisiana and Mississippi, including some of the largest banks in the country. Many of our competitors serve the same counties we do. Our competitors often have greater resources, have broader geographic markets, have higher lending limits, offer various services that we may not currently offer and may better afford and make broader use of media advertising, support services and electronic technology than we do. To offset these competitive disadvantages, we depend on our reputation as having greater personal service, consistency, flexibility and the ability to make credit and other business decisions quickly.

Employees

As of December 31, 2017, we and our subsidiaries had 686 full-time equivalent employees. None of our employees are represented by any collective bargaining unit or are parties to a collective bargaining agreement. We believe that our relations with our employees are good.

Legal Proceedings

On January 23, 2017, the ResCap Liquidating Trust, or ResCap, as successor to Residential Funding Company, LLC f/k/a Residential Funding Corporation, or RFC, filed a complaint against Origin Bank, as successor to Cimarron Mortgage Company, or Cimarron, a former residential mortgage lender purchased by Origin Bank in 2011 and merged into the bank in 2013, in the United States District Court for the District of Minnesota. The complaint included a claim for damages against Origin Bank arising out of a guaranty in which the bank, as successor to Cimarron, guaranteed Cimarron's full performance under the contract governing the sale of mortgage loans to RFC. We entered into a Settlement and Release Agreement on November 6, 2017 with the RFC parties with respect to the ResCap litigation. Under the agreement, we paid $10.0 million to fully resolve all claims by the RFC parties, and to avoid the further costs, disruption, and distraction of defending the ResCap Litigation.

From time to time, Origin Bank and we face routine litigation arising in the normal course of business. Neither Origin Bank nor we are presently party to any legal proceedings the resolution of which we believe would have a material adverse effect on our business, future prospects, financial condition, liquidity, results of operation, cash flows or capital levels. However, one or more unfavorable outcomes in any claim or litigation against us could have a material adverse effect for the period in which they are resolved. In addition, regardless of their merits or their ultimate outcomes, such matters are costly, divert management's attention and may materially and adversely affect our reputation, even if resolved in our favor.

MANAGEMENT

Board of Directors

Our board of directors is composed of 13 members divided into three classes, with each director serving a three-year term and until his or her successor is elected or qualified, or until his or her earlier death, resignation or removal. The election of directors is staggered so that one-third of the board of directors is elected at each annual meeting. The terms of the Class A directors expire at the 2018 annual meeting. The terms of the Class B directors expire at the 2019 annual meeting. The terms of the Class C directors expires at the 2020 annual meeting. Our directors discharge their responsibilities throughout the year at board and committee meetings and also through telephone contact and other communications with our executive officers. The directors elected to each of Class A, Class B and Class C, as well as their respective ages, as of the date of this prospectus, are set forth below.

Class A	Age	Class B	Age	Class C	Age
James E. Davison, Jr.	51	John M. Buske	77	Michael A. Jones	62
Drake Mills	57	Oliver Goldstein	46	Farrell Malone	65
Steven Taylor	64	John Pietrzak	46	F. Ronnie Myrick	74
Dr. Gary Luffey	63	George M. Snellings, IV	52	James S. D'Agostino, Jr.	71
		Elizabeth Solender	66		

We have entered into agreements with Pine Brook and Castle Creek Capital Partners IV, LP, or Castle Creek, two institutional investors with significant equity stakes in our organization. Under each agreement, we have agreed to nominate one person designated by such investor to our board of directors, subject to satisfaction of the legal and governance requirements regarding service as a member of our board of directors and to the reasonable approval of our Nominating and Corporate Governance Committee, and to the board of directors of Origin Bank. We have also agreed that we will use our reasonable best efforts to have the board representatives elected to our board of directors and will solicit proxies for the board representatives to the same extent as we do for any of our other board nominees.

The above-described board representation rights will continue with respect to such investor for so long as that investor, together with its affiliates, continues to hold 4.99% or more of our issued and outstanding common stock on an as-converted basis. If the investor ceases to hold the required ownership percentage, that investor will no longer have any further board representation rights, and the investor will use all reasonable best efforts to cause its board representative to promptly resign from our board of directors and from the board of directors of Origin Bank. Currently, Oliver Goldstein serves on our board of directors as the representative of Pine Brook, and John Pietrzak serves on our board of directors as the representative of Castle Creek.

The board of directors of Origin Bank is composed of 13 members divided into three classes, with the directors in each class serving a three-year term. As sole shareholder of Origin Bank, we elect the directors of the bank. The composition of the board of directors of Origin Bank, and the classification of each of the directors, mirrors the holding company level board of directors.

Executive Officers

Our executive officers are appointed by our board of directors and hold office until their successors are duly appointed and qualified or until their earlier death, resignation or removal. The executive officers of Origin Bank are appointed by the board of directors of the Bank and hold office until their successors are duly appointed and qualified or until their earlier death, resignation or removal. Each of our current executive officers, as well as their ages, are set forth below:

Name	Age	Title
Drake Mills	57	Chairman of the Board, President and Chief Executive Officer
M. Lance Hall	45	Chief Operating Officer and Louisiana State President
Stephen H. Brolly	55	Chief Financial Officer
F. Ronnie Myrick	74	Chief Banking Officer
Cary Davis	67	Chief Risk Officer

Background of Directors and Executive Officers

A brief description of the background of each of our directors and executive officers is set forth below. All executive officers have the same position at the Bank and at the Company, except that Mr. Myrick serves as Chairman of the Board of Origin Bank. No director has any family relationship, as defined in Item 401 of Regulation S-K, with any other director or any of our executive officers.

Executive Officers:

Drake Mills. Mr. Mills is our Chairman, President, and Chief Executive Officer. Mr. Mills has over 33 years of banking experience and started out as a check file clerk with Origin Bank. Having worked his way up through the organization, Mr. Mills has served in various capacities including in-house system night operator, branch manager, consumer loan officer, commercial lender and Chief Financial Officer. He became President and Chief Operations Officer in 1997 and was named Chief Executive Officer of Origin Bank in 2003. He has served our holding company as President since 1998 and Chief Executive Officer since 2008 and as Chairman of our board of directors since 2012. Under his leadership as President and Chief Executive Officer, Origin Bank has grown from assets of $200.6 million to $4.15 billion, primarily through organic growth. Mr. Mills served on the Community Depository Institutions Advisory Council to the Federal Reserve Bank of Dallas from 2011 to 2014. He represented the Federal Reserve Bank of Dallas on the Community Depository Institutions Advisory Council to the Federal Reserve System in Washington, D.C., and was appointed as the council's President for a one year term in 2013. He is also a past Chairman of the Louisiana Bankers Association. Mr. Mills graduated from Louisiana Tech University with a Bachelor of Science degree in Finance. He also graduated from the Graduate School of Banking of the South in Baton Rouge, Louisiana and The Graduate School of Banking of the South's Professional Master of Banking Program in Austin, Texas. Mr. Mills oversees our executive management team as well as the development and execution of our strategic plan. His vision and leadership are instrumental in our growth and success.

M. Lance Hall. Mr. Hall is our Chief Operating Officer and Louisiana State President. Mr. Hall has served our organization for approximately 18 years through various roles including commercial lending and market management. Prior to joining Origin Bank, Mr. Hall spent four years at Regions Bank as a Credit Analyst and Commercial Relationship Manager. As our Chief Operating Officer, Mr. Hall manages our operations, information technology, strategic planning and brand teams.

Stephen H. Brolly. Mr. Brolly is our Chief Financial Officer. Mr. Brolly has approximately 19 years of banking experience and, before joining us in January 2018, most recently served as Chief Financial Officer of Fidelity Southern Corporation (Nasdaq: LION) and its wholly owned subsidiary, Fidelity Bank, for approximately 10 years. Prior to his tenure with Fidelity Southern, he served as Senior Vice President and Controller of Sun Bancorp, Inc. (Nasdaq: SNBC) and its wholly owned subsidiary, Sun National Bank, for seven years. Mr. Brolly began his professional career in public accounting and spent 13 years at Deloitte & Touche.

F. Ronnie Myrick. Mr. Myrick is our Chief Banking Officer and serves as Chairman of the Bank of Origin Bank. Mr. Myrick has served as Chief Banking Officer since 2017 and also as Chief Administration Officer since 2009. He oversees our regional presidents, retail banking, marketing and mortgage operations. He formerly served as Northeast Louisiana President of Deposit Guaranty National Bank, a wholly owned subsidiary of Deposit Guaranty Corporation, and prior to that he was President of Capital Bank of Delhi, Louisiana. Mr. Myrick has 50 years of experience in the banking industry.

Cary Davis. Mr. Davis is our Chief Risk Officer. He oversees our centralized loan underwriting team, credit administration, internal audit and enterprise risk management. Mr. Davis has 45 years of experience in the banking industry, more than 20 of which have been with Origin Bank. Before joining the bank, he served in numerous executive officer capacities, including Executive Vice President and Chief Credit Officer, for Central Bank, a subsidiary of First Commerce Corporation, which was the second largest bank holding company in Louisiana at the time of its acquisition in 1998 by Banc One Corporation. Mr. Davis also spent four years with the Office of the Comptroller of the Currency as a bank examiner.

Non-Management Directors:

James S. D'Agostino, Jr. Mr. D'Agostino has served as a director of our company and Origin Bank since 2013. Mr. D'Agostino founded Encore Bancshares in March 2000 and served as its Chairman of the Board and Chief Executive Officer from 2000 until the organization sold in 2012. Currently, Mr. D'Agostino is the Managing Director of Encore Interests LLC, which is involved with banking and investments. In 2013, Mr. D'Agostino became Chairman of the Board of Houston Trust Company, a privately-owned trust company headquartered in Houston with $6.2 billion of assets under management. Mr. D'Agostino also serves as Chairman of the Board of Main Street Ministries Houston, a not for profit organization. He has over 40 years of service in numerous other capacities in the banking and financial services industries. Mr. D'Agostino holds a B.S. in economics from Villanova University and a J.D. from Seton Hall University School of Law, and has completed the Advanced Management Program at Harvard Business School. Mr. D'Agostino's extensive banking experience and his knowledge of the law and the financial services industry enable him to make valuable contributions to our board of directors.

John M. Buske. Mr. Buske has served as a director of our company and Origin Bank since 1992. His business experience includes serving as President of UNR Industries, Inc., an international and domestic manufacturing company engaged in the manufacturing of steel products. In that capacity, he was primarily responsible for two divisions representing over $40 million in revenue. Prior to his experience with UNR Industries, Mr. Buske served as a cost accountant for State Farm Fire and Casualty Insurance. He has also provided service to his community through his work on the boards of directors of the Ruston/Lincoln Industrial Development Corporation, the North Louisiana Economic Partners, the Ruston/Lincoln Chamber of Commerce, and the Ruston Rotary Club and served as chairman of the Lincoln General Hospital Board of Directors for 9 years. Mr. Buske's business and community service experience provide him with a uniquely diverse perspective that benefits our board of directors.

James E. Davison, Jr. Mr. Davison has served as a director of the Company since 1999. Since 2007 he has served as a director for Genesis Energy, L.P., an NYSE listed entity, and currently serves on its governance, compensation and business development committees. From 1996 until 2007, he served in executive leadership positions of several related entities acquired by, or substantial assets of which were acquired by, Genesis Energy, L.P. Mr. Davison's management experience, in the energy and transportation industries and as a director of a publicly traded enterprise, enables him to make valuable contributions to our board of directors.

Oliver Goldstein. Mr. Goldstein has served as a director of the Company since 2012. Mr. Goldstein is a managing director on the financial services investment team at Pine Brook. He also serves as a member of its investment committee. Mr. Goldstein currently represents Pine Brook as a director of Origin Bancorp, Inc., Fair Square Financial Holdings LLC, and Strategic Funding Source, Inc. He also formerly represented Pine Brook as a director of Alostar Bank of Commerce and Green Bank, N.A. Mr. Goldstein has 22 years of private equity and financial advisory experience. Prior to joining Pine Brook in 2009, he was a partner and senior managing director at Eton Park Capital Management, where he started and led the firm's U.S. private investment effort, establishing an

investment strategy focused on growth equity financings and special situations, primarily in the financial services industry. Prior to that, Mr. Goldstein was with Warburg Pincus LLC, most recently as a managing director responsible for leveraged buyouts and direct investments in public companies. Mr. Goldstein's experience investing in and serving as a director on the boards of banks and other financial services companies provides skills that are important as we continue to implement our business strategy and grow our franchise organically and through opportunistic acquisitions.

Michael A. Jones. Mr. Jones has served as a director of the Company since 1991. He is a sole practitioner Certified Public Accountant with offices in Ruston, Louisiana and is a Certified Fraud Examiner. He is a member of the American Institute of Certified Public Accountants, the Society of Louisiana Certified Public Accountants and the Association of Certified Fraud Examiners. Mr. Jones' ties within the local community and business experience and knowledge qualify him to serve on the board.

Dr. Gary Luffey. Dr. Luffey has served as a director of the Company since 2016 and Origin Bank since 2002. An eye surgeon for 35 years, Dr. Luffey is a partner at the Green Clinic and is a member of the clinic's Financial Committee. Dr. Luffey has been a member of the Ruston-Lincoln Industrial Development Committee and served in a leadership role with the Ruston-Lincoln Chamber of Commerce. He is on the board of the Lincoln Health Foundation and the Louisiana Center for the Blind, is a past member of the Louisiana State Board of Health, and is also active in numerous other community charitable causes. Over the past 40 years, Dr. Luffey has been involved in the ownership and management of nursing homes, hospitals and medical supply companies. He is also a consultant with Alcon Laboratory, a subsidiary of Novartis. These experiences afford Dr. Luffey a unique vantage point in healthcare, an increasingly important and growing segment in our markets. Dr. Luffey's extensive experience with the healthcare industry and his community ties in our Louisiana markets are valuable to our Company and our board of directors.

Farrell Malone. Mr. Malone has served as a director of the Company since 2014. Mr. Malone is a licensed Certified Public Accountant and retired partner of KPMG LLP, where he served on its board of directors from 2005 to 2010, including as Lead Director from 2008 to 2010. Mr. Malone is an Audit Committee Financial Expert, as defined under applicable SEC rules. He currently serves as the Chairman of our Audit, Risk and Compliance Committee. Mr. Malone brings to our board of directors extensive accounting, management, strategic planning and financial skills which are important to the oversight of our financial reporting, enterprise and operational risk management.

John Pietrzak. Mr. Pietrzak has served as a director of the Company since 2013. Mr. Pietrzak joined Castle Creek Capital LLC in 2005. He is a former board member of West Coast Bancorp and its wholly owned subsidiary, West Coast Bank; Square 1 Financial, it's wholly owned subsidiary Square 1 Bank; and Intermountain Community Bancorp and its wholly owned subsidiary, Panhandle State Bank. Prior to joining Castle Creek Capital, Mr. Pietrzak was a Director at Levi Strauss & Co. where he led a team responsible for forecasting demand for the Dockers brand. He was also a Senior Manager of Finance at Levi Strauss & Co. Prior to that, he worked at Diamond Strategy and Technology Consultants, where he assisted clients in developing and implementing strategies in the wireless data industry. Mr. Pietrzak's prior board experience, especially with other financial institutions and their holding companies, provides insight and perspective that benefit our organization and our board of directors.

George Snellings, IV. Mr. Snellings has served as a director of the Company since 2012 and as a director of Origin Bank since 2007. He is a practicing attorney with the law office of Nelson, Zentner, Sartor & Snellings, LLC, where he has been a member since the firm's inception in 2001 and recently received an AV rating by his peers at Martindale Hubbell. Prior to that time, he was a member of the law firm Theus, Grisham, Davis and Leigh from 1993 to 2001 and worked in audit department at Ernst & Young, from 1989 until 1991. Mr. Snellings legal knowledge and experience qualifies him to serve on the board.

Elizabeth Solender. Ms. Solender has served as a director of Origin Bank since 2008 and has served as a director of the Company since 2016. She is the President of Solender/Hall, Inc., a commercial real estate and consulting company that specializes in assisting corporations and nonprofit organizations buy, sell, lease, manage and finance commercial real estate in the Dallas/Fort Worth area. She is considered a national expert on nonprofit commercial real estate issues. The City of Dallas appointed her to the boards of directors of the Cypress Waters Tax

Increment Financing (TIF) District and the Sports Arena TIF District. In 2015, Dallas Business Journal named her one of the top 25 Women in Business in the Dallas/Fort Worth area. Ms. Solender is a past national president of Commercial Real Estate Women (CREW) Network and past chair of the National Association of Corporate Directors (NACD) North Texas Chapter. She has earned the National Association of Corporate Directors (NACD) Governance Fellow status which is the highest level of credentialing for corporate directors. Ms. Solender's real estate acumen and nonprofit experience make her a valuable addition to the board.

Steven Taylor. Mr. Taylor has served as a director of the Company since 2016 and Origin Bank since 2007. Mr. Taylor has been president of Car Town of Monroe, Inc. since 1987 and is still overseeing the day to day operations. With gross sales over $35 million per year Car Town is one of the largest Independent Automotive Dealers in Louisiana. Car Town has been recognized as the State Quality Dealer of the Year and as one of the top ten in the nation by the National Independent Auto Dealers Association. Mr. Taylor has held the role of president and is still actively involved with the Boys & Girls Club of Northeast Louisiana. He is the secretary of the Bayou DeSiard Country Club and is a board member of the Monroe Downtown Economic Development District. Mr. Taylor has other business interests such as Real Estate, Finance and an Auto Warranty Company. His business experience in various companies allows a view point from a different perspective and makes him a valued member of the board.

Corporate Governance Principles and Board Matters

We are committed to having sound corporate governance principles, which are essential to running our business efficiently and maintaining our integrity in the marketplace. Our board of directors has adopted Governance Principles that set forth the framework within which our board of directors, assisted by its committees, directs the affairs of our organization. The Governance Principles address, among other things, the composition and functions of our board of directors and its committees, director independence, compensation of directors, management succession and review and selection of new directors. In addition, our board of directors has adopted a Code of Ethics that applies to all of our directors, officers and employees. Upon the completion of this offering, our Governance Principles, as well as the Code of Ethics will be available on our corporate website's Investor Relations page at www.origin.bank. We expect that any amendments to the Code of Ethics, or any waivers of its requirements with respect to any of our directors or executive officers, will be disclosed on our website as well as by any other means required by Nasdaq Stock Market or SEC rules.

Director Selection Process. Our bylaws provide that nominations of persons for election to the board of directors may be made by or at the direction of our board of directors, our Chairman or by any stockholder entitled to vote for the election of directors at the annual meeting who complies with certain notice procedures. The Nominating and Corporate Governance Committee is responsible for identifying and recommending candidates to the board as vacancies occur. Director candidates are evaluated using certain established criteria, including familiarity with the financial services industry, their personal financial stability and their willingness to serve. The Nominating and Corporate Governance Committee will also take into account the candidate's level of financial literacy, his or her ability to devote an adequate amount of time to his or her duties as a director and any past or present relationship the candidate has with our business. The Nominating and Corporate Governance Committee is responsible for monitoring the mix of skills and experience of the directors in order to assess whether the board has the necessary tools to perform its oversight function effectively. Although we do not have a separate diversity policy, the Nominating and Corporate Governance Committee considers the diversity of our directors and nominees in terms of knowledge, experience, skills, expertise and other demographics that may contribute to our board of directors. The Nominating and Corporate Governance Committee will also evaluate candidates recommended by shareholders, provided that such candidates are nominated in accordance with the applicable provisions of our bylaws.

Director Independence. Under the rules of the Nasdaq Stock Market, independent directors must comprise a majority of our board of directors within a specified period of time of this offering. The rules of the Nasdaq Stock Market, as well as those of the SEC, also impose several other requirements with respect to the independence of our directors. Our board of directors has undertaken a review of the independence of each director based upon these rules and our own Governance Principles. Applying these standards, our board of directors has affirmatively determined that, with the exception of Messrs. Mills and Myrick, each of our current directors qualifies as an

independent director under the applicable rules. The 11 independent directors constitute a majority of the 13 members of our board of directors.

In making independence determinations, our board of directors considered the current and prior relationships that each director has with us and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our capital stock by each director, and the transactions involving them described in the section titled “Certain Relationships and Related Party Transactions.”

Board Leadership Structure and Role in Risk Oversight. Both our board of directors and the board of directors of Origin Bank meet monthly. Our board of directors solicits input and nominations from its members and elects one of its members as Chairman. The Chairman presides over each board of directors’ meeting and performs such other duties as may be incident to the office. Our board does not have a policy regarding the separation of the roles of Chief Executive Officer and Chairman, as the board believes that it is in the best interests of our organization to make that determination from time to time based on the position and direction of our organization and the membership of the board. Currently, our President and Chief Executive Officer, Drake Mills, serves as Chairman to ensure that a knowledgeable, meaningful and targeted agenda is presented to the board of directors on a regular basis. Mr. Mills possesses the background, knowledge, expertise and experience to understand the opportunities and challenges we face, as well as the leadership and management skills to promote and execute our business plan and strategies. In addition, Mr. Mills’ simultaneous service as President, Chief Executive Officer and Chairman allows timely communication with our board of directors on critical business matters. Further, our board of directors believes that having the same individual serving in the positions of President, Chief Executive Officer and Chairman does not undermine the independence of our board of directors because a majority of the directors are independent.

Annually, the independent directors elect a director to serve as the Lead Independent Director. The Lead Independent Director serves as a liaison between the Chairman and the independent directors and has the authority to call and chair meetings or executive sessions of the independent directors, which are held periodically as appropriate but at least twice annually. The Lead Independent Director also chairs full board of directors’ meetings in the absence of the Chairman. Our board of directors has designated James D’Agostino to serve as Lead Independent Director.

Our board of directors recognizes that risk management is an enterprise-wide responsibility. Our board of directors has established standing committees to oversee our corporate risk governance processes, as described more fully below. In addition, our board of directors and executive management have appointed a Chief Risk Officer, who is a member of our executive management team, to support the risk oversight responsibilities of the board of directors and its committees and to involve management in risk management as appropriate by establishing committees comprised of management personnel who are assigned responsibility for oversight of certain operational risks. The Chief Risk Officer reports to the board of directors each quarter on our enterprise-wide risk management system. Cary Davis currently serves as our Chief Risk Officer.

Board Investigation. In February 2015, Origin Bank received a subpoena from the New York County District Attorney's Office, or NYDA, requesting information about several transactions and entities related to certain depositors, including Drake Mills. In addition to responding to the subpoena, our board of directors retained independent outside counsel to review the facts raised by the NYDA inquiry. Mr. Mills cooperated with outside counsel in its review. On the basis of outside counsel's review, our board of directors determined that Mr. Mills was not involved in any of the wrongful conduct that was the subject of the NYDA inquiry.

In April 2017, Origin Bank received a subpoena from the U.S. Attorney's Office for the Eastern District of Pennsylvania, or E.D.Pa. The E.D.Pa. indicated that it was investigating the same transactions and entities as the NYDA investigated. Independent outside counsel to our board of directors met with representatives from the E.D.Pa. Counsel informed the E.D.Pa. that Origin Bank would cooperate with its investigation and advised them that it had conducted a review of the facts raised by the inquiry and had determined that Mr. Mills was not involved in any of the wrongful conduct that was the subject of their inquiry. To date, the E.D.Pa. investigation remains

ongoing, and Origin Bank and Mr. Mills continue to cooperate with that investigation, including in the case of Mr. Mills, voluntarily meeting with the E.D.Pa.

Compensation Committee Interlocks and Insider Participation. Upon the completion of this offering, none of the members of our compensation committee will be or will have been an officer or employee of Origin Bancorp, Inc. or of Origin Bank. None of our executive officers serve or have served as a member of the board of directors, compensation committee or other board committee performing equivalent functions of any entity that has one or more executive officers serving as one of our directors or on our compensation committee.

Board Committees

Our board of directors has established standing committees in connection with the discharge of its responsibilities. These committees include the Audit, Risk, and Compliance Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and the Finance Committee. Our board of directors also may establish such other committees as it deems appropriate, in accordance with applicable law and regulations and our corporate governance documents.

Audit, Risk and Compliance Committee. Our Audit, Risk and Compliance Committee consists of Farrell Malone (Chairperson), John Buske and James D'Agostino. Our Audit, Risk and Compliance Committee have responsibility for, among other things:

- selecting, engaging and overseeing the independent auditors;
- overseeing the integrity of our financial statements, including the annual audit, the annual audited financial statements, financial information included in our periodic reports that will be filed with the SEC and any earnings releases or presentations;
- overseeing our financial reporting internal controls;
- overseeing our internal audit functions, including oversight of the Chief Audit Executive;
- overseeing our compliance with applicable laws and regulations;
- overseeing our risk management functions;
- overseeing our process for receipt of complaints and our Whistleblower Policy; and
- reviewing and investigating any possible violation of the Codes of Ethics or other standards of business conduct by any officer or employee of the company that is related to our audit or accounting practices.

Rule 10A-3 promulgated by the SEC under the Exchange Act and applicable Nasdaq Stock Market rules require our audit committee to be composed entirely of independent directors upon the effective date of our registration statement. Our board of directors has affirmatively determined that each of the members of our audit committee is independent under the rules of the Nasdaq Stock Market and for purposes of serving on an audit committee under applicable SEC rules. Our board of directors also has determined that Farrell Malone qualifies as an “audit committee financial expert” as defined by the SEC. Our board of directors has adopted a written charter for our Audit, Risk and Compliance Committee, which is available on our corporate website’s Investor Relations page at www.origin.bank.

Compensation Committee. Our Compensation Committee consists of John Buske (Chairperson), James E. Davison, Jr., Michael Jones and John Pietrzak. Our Compensation Committee is responsible for, among other things:

- annually reviewing and approving compensation of our CEO, including determination of salary, bonus and incentive opportunities, and other compensation, and approving goals and objectives relevant to

the compensation of the CEO and evaluating the CEO's performance in light of such goals and objectives;

- together with the CEO, annually reviewing and approving compensation of our other executive officers;
- reviewing and ensuring compliance with applicable laws and regulations regarding executive compensation;
- retaining, or obtaining the advice of, such compensation consultants, legal counsel or other advisers as the Compensation Committee deems necessary or appropriate for it to carry out its duties, with direct responsibility for the appointment, compensation and oversight of the work of such consultant, counsel or adviser;
- reviewing and approving employment agreement, severance arrangements, change in control agreements, and similar matters; and
- administering, reviewing and making recommendations with respect to our equity compensation plans.

Our board of directors has evaluated the independence of the members of our Compensation Committee and has determined that each of the members of our Compensation Committee is independent under Nasdaq Stock Market standards. The members of the Compensation Committee also qualify as "non-employee directors" within the meaning of Rule 16b-3 under the Exchange Act and "outside directors" within the meaning of Section 162(m) of the Code. Our board of directors has adopted a written charter for our Compensation Committee, which is available on the Investor Relations page of our corporate website at www.origin.bank.

Nominating and Corporate Governance Committee. The members of our Nominating and Corporate Governance Committee are James E. Davison, Jr. (Chairperson), John Buske, James D'Agostino, Michael Jones, Farrell Malone, and George Snellings.

Our Nominating and Corporate Governance Committee is responsible for, among other things:

- evaluating and making recommendations to our board regarding our board's number and composition, committee structure and assignments, and director responsibilities;
- assisting our board of directors in identifying prospective director nominees and recommending nominees for each annual meeting of shareholders to our board of directors, including reviewing any prospective directors nominated by shareholders, or as vacancies on the board occur;
- developing and overseeing a self-evaluation process for our board;
- reviewing developments in corporate governance practices and developing and recommending governance principles applicable to our board of directors;
- reviewing corporate actions in furtherance of our social responsibilities, including support of charitable, educational and business organizations;
- reviewing and investigating any possible violation of the Codes of Ethics or other standards of business conduct by any director or executive officer of the company, except as such are related to our audit or accounting practices.

Our board of directors has evaluated the independence of the members of the Nominating and Corporate Governance Committee and has determined that each of the members is independent under Nasdaq Stock Market standards. Our board of directors has adopted a written charter for our Nominating and Corporate Governance Committee, which is available on the Investor Relations page of our corporate website at www.origin.bank.

Finance Committee. Our Finance Committee, a joint committee of our holding company and bank, consists of James D'Agostino (Chairperson), James E. Davison, Jr., Michael Jones, Oliver Goldstein, Farrell Malone, and John Pietrzak. The Finance Committee has responsibility for, among other things:

- developing and recommending the implementation of our market risk functional framework and oversight policy;
- overseeing the administration and effectiveness of our market risk functional framework and other significant investment and related policies;
- reviewing and overseeing the operation of our capital adequacy assessments, forecasting and stress testing processes and activities; and
- reviewing and making recommendation to the board regarding declaration of dividends, repurchase of securities, financing and significant capital expenditures.

Our board of directors has adopted a written charter for our Finance Committee, which is available on the Investor Relations page of our corporate website at www.origin.bank.

EXECUTIVE COMPENSATION

As an emerging growth company under the JOBS Act, we have opted to comply with the executive compensation disclosure rules applicable to "smaller reporting companies" as such term is defined in the rules promulgated under the Securities Act, which permit us to limit reporting of executive compensation to our principal executive officer and our two other most highly compensated executive officers, which are referred to as our "named executive officers."

Our named executive officers for the year ended December 31, 2017, which consist of our principal executive officer and our two other most highly compensated executive officers, are:

- Drake Mills, our President, Chief Executive Officer and Chairman of the Board;
- M. Lance Hall, our Senior Executive and Chief Operating Officer; and
- F. Ronnie Myrick, our Senior Executive and Chief Banking Officer

Summary Compensation Table

The following table provides information regarding the compensation of our named executive officers for our fiscal year ended December 31, 2017. Except as set forth in the notes to the table, all cash compensation for each of our named executive officers was paid by Origin Bank, where each serves in the same capacity.

Name and Principal Position	Year	Salary	Bonus[1]	Non-Equity Incentive Plan Compensation[2]	All Other Compensation[3]	Total[4]
Drake Mills	2017	$ 835,800	$ 100,000	$ 28,371	$ 137,259	$ 1,101,430
Chairman, President and Chief Executive Officer						
M. Lance Hall	2017	400,000	50,000	9,000	15,109	474,109
Senior Executive and Chief Operating Officer						
F. Ronnie Myrick	2017	332,100	50,000	9,383	13,547	405,030
Senior Executive and Chief Banking Officer						

(1) Represents a discretionary award for 2017 performance paid in 2018.
(2) Values represent deferral payouts made in 2017 with respect to incentives earned for 2015 performance. Initial amounts earned with respect to 2015 performance were paid in 2016 with 10% of the total award deferred for one year and 10% of the total award deferred for two years. In order to receive the award, the executives were required to be employed and in good standing, and we had to achieve certain profitability and credit quality goals.
(3) The amounts shown in this column are composed of the amounts in the table below.
(4) No equity awards were made to our named executive officers during 2017.

Description	Mills	Hall	Myrick
Personal use of company car	$ 6,621	$ 1,257	$ 2,675
Employer 401(k) contributions	8,100	8,100	8,100
Life insurance premiums	30,510	289	—
Club dues	5,463	5,463	2,772
Legal expense reimbursement	86,565	—	—
Total	$ 137,259	$ 15,109	$ 13,547

Outstanding Equity Awards at 2017 Fiscal Year-End

The following table provides information regarding outstanding equity awards held by each of our named executive officers on December 31, 2017. All of the restricted stock awards shown in the table below were granted under the Origin Bancorp, Inc. 2012 Stock Incentive Plan, or the 2012 Plan. All of the stock option awards were issued under stand-alone stock option award agreements and were granted with a per share exercise price equal to the fair market value of our common stock on the grant date.

	Option Awards			Restricted Stock Awards	
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Option Exercise Price ($)	Option Expiration Date	Number of shares or units of stock that have not vested (#)	Market value of shares or units of stock that have not vested ($)[2]
Drake Mills	120,000	$ 8.25	12/31/2024	400 [1]	$ 10,320
	50,000	17.50	12/31/2030		
M. Lance Hall	—	—	—	146 [1]	3,767
F. Ronnie Myrick	—	—	—	108 [1]	2,786

(1) Reflects shares that have fully vested since December 31, 2017.
(2) Based on $25.80 per share.

Our Compensation Program

Our executive compensation program is designed to attract, motivate, reward and retain our executive officers. A major goal of our executive compensation program is to align the compensation structure for our executive officers with our stockholders' interests and current market practices. To that end, our Compensation Committee analyzes and reviews current market data for comparable financial institutions and for the industry as a whole and strives to maintain a compensation program for our executive officers that is competitive among our peers. A central principle of our compensation philosophy is that executive compensation should be aligned with shareholder value and determined primarily by our overall performance.

Our compensation program is designed to achieve the following objectives:

- drive performance relative to our financial goals, balancing short-term and intermediate operational objectives with long-term strategic goals;
- attract and retain the highly-qualified executives needed to achieve our goals and to maintain a stable executive management group;
- allow flexibility in responding to changing laws, accounting standards and business needs; and
- place a significant portion of total compensation at risk, contingent on our performance.

We desire to create short-term and long-term incentive opportunities for our executive officers and, over the long-term, seek to align their interests with those of our shareholders by establishing equity ownership opportunities. Our total compensation package is designed to align the executives' interests with those of our shareholders and does not promote or reward taking excessive risk to generate individual executive gains while creating higher financial and market risk for us.

It is our philosophy that the total compensation package available to our executives should be fair, balanced and competitive; it should provide enhanced levels of financial reward based on achieving higher levels of performance; and it should be designed to recognize and reward both short and long-term performance.

Equity Incentive Plans

The purpose of our long-term equity incentive program is to focus our directors, executive officers and employees on long-term corporate goals, disciplined growth and the creation of shareholder value. We further believe that equity ownership by these individuals better aligns their interests with those of our shareholders. We provide equity-based incentives through our 2012 Stock Incentive Plan, our employee stock ownership plan, and other equity-based awards.

2012 Stock Incentive Plan. In 2012, our board of directors adopted the 2012 Plan, to be effective as of January 1, 2012. The 2012 Plan was subsequently approved by our shareholders at our 2012 annual meeting and is primarily administered by the Compensation Committee. The purpose of the 2012 Plan is to focus the efforts of our officers, employees and directors toward our long-term success and that of our affiliates by providing financial incentives and to align the interests of our employees and directors with those of our shareholders by providing a means to acquire an equity ownership interest in our company.

The equity grants that may be awarded under the 2012 Plan consist of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock awards, restricted stock units, dividend equivalent rights, performance unit awards, or any combination thereof. Any of our employees, officers or directors may be eligible for an award, although incentive stock options may be granted only to participants who meet the definition of "employee" within the meaning of Section 422 of the Code.

A maximum of 1,400,000 shares of our common stock may be issued in connection with awards granted under the 2012 Plan, any or all of which may be issuable as incentive stock options. As of December 31, 2017, 1,137,672 shares of our common stock were available for issuance under the 2012 Plan, and there were 61,293 restricted stock grants and no unvested stock options that remained subject to forfeiture.

Upon a change in capitalization (such as a stock split, stock dividend, or reorganization), the Compensation Committee will make equitable adjustments to the number of shares available for issuance under the 2012 Plan. Upon a change in control (such as a merger or sale of substantially all of our assets), the Compensation Committee has discretion to make adjustments or take such other action as it deems necessary or appropriate, including the substitution of new awards, acceleration of awards, removal of restrictions on outstanding awards, or termination of awards in exchange for cash payments.

Our board of directors may, in its discretion, amend or terminate the 2012 Plan without shareholder approval, unless the board seeks to increase the number of shares available under the 2012 Plan, to expand the classes of individuals eligible for an award, or to expand the types of awards available for issuance under the 2012 Plan, or as required by applicable law or listing agency rule.

The following is a brief summary of the types of awards issuable under the 2012 Plan and the principal United States federal income tax consequences of those awards. This summary is not intended to be exhaustive, does not constitute tax advice and, among other things, does not describe state, local or foreign tax consequences, which may be substantially different, or the deferred compensation provisions of Section 409A of the Code to the extent that an award is subject to and does not satisfy the rules.

Stock Options. Stock options provide the holder with the right to purchase shares of our common stock at a future date at a specified exercise price and may be issuable as incentive stock options or non-qualified stock options. Incentive stock options generally provide the holders with certain favorable tax benefits, as compared to non-qualified stock options. The terms of each option award, including any vesting requirements, are determined by or under the direction of our Compensation Committee at the time of grant, subject to certain limitations under the 2012 Plan or applicable law. Accordingly, the 2012 Plan requires that the exercise price of a stock option be at least equal to the fair market value of our common stock on the date that the option is granted, and the term of any incentive stock option may not exceed 10 years from the date of grant. Further, no incentive stock option may be granted more than ten years after the adoption of the plan. In the event of termination of employment of a participant, any vested incentive stock option that is outstanding and held by that participant will expire and terminate unless exercised within three months of the termination event, unless as a result of death or disability, for

which longer exercise periods are permitted. Certain additional limitations would apply with respect to any incentive stock option issued to an employee who also beneficially owns 10% or more of our common stock.

In general, a participant realizes no taxable income upon the grant or exercise of an incentive stock option. The exercise of an incentive stock option, however, may result in an alternative minimum tax liability to the participant. With certain exceptions, a disposition of shares purchased under an incentive stock option within two years from the date of grant or within one year after exercise produces ordinary income to the participant (and a deduction for us) equal to the value of the shares at the time of exercise less the exercise price. Any additional gain recognized in the disposition is treated as a capital gain for which we are not entitled to a deduction. If the participant does not dispose of the shares until after the expiration of these one- and two-year holding periods, any gain or loss recognized upon a subsequent sale is treated as a long-term capital gain or loss for which we are not entitled to a deduction.

A participant generally will not recognize taxable income on the grant of a stock option. Upon the exercise of a stock option, a participant will recognize ordinary income in an amount equal to the difference between the fair market value of the common stock received on the date of exercise and the option cost (number of shares purchased multiplied by the exercise price per share). The participant will recognize ordinary income upon the exercise of the option even though the shares acquired may be subject to further restrictions on sale or transferability. We will generally be entitled to a deduction on the exercise date in an amount equal to the amount of ordinary income recognized by the participant upon exercise. Upon a subsequent sale of shares acquired in an option exercise, the difference between the sale proceeds and the cost basis of the shares sold will be taxable as a capital gain or loss.

Stock Appreciation Rights. Stock appreciation rights provide the recipient with the right to receive from us the excess, if any, of the fair market value of one share of common stock on the date of exercise, over the exercise price of the stock appreciation right. Under the 2012 Plan, the exercise price of a stock appreciation right may not be less than the fair market value of our common stock on the grant date. When exercised, appreciation rights may generally be paid by us in cash or shares of our common stock. Any grant of appreciation rights may specify performance measures that must be achieved as a condition to exercising such rights, waiting periods before stock appreciation rights become exercisable and permissible dates or periods on or during which appreciation rights are exercisable.

A participant will not recognize taxable income upon the grant of a stock appreciation right, but will recognize ordinary income upon the exercise of a stock appreciation right in an amount equal to the cash amount received upon exercise (if the stock appreciation right is cash-settled) or the fair market value of the common stock received upon exercise (if the stock appreciation right is stock settled). We will generally be entitled to a deduction on the exercise date in an amount equal to the amount of ordinary income recognized by the participant upon exercise.

Restricted Stock. A grant of restricted stock constitutes a transfer of ownership of the shares of common stock to the recipient, subject to certain restrictions determined by the Compensation Committee that will lapse upon the satisfaction of those conditions and restrictions. During the restricted period, the holder would not have any rights as a shareholder with respect to the shares, except for any dividend or voting rights contained in the award agreement. Upon the satisfaction of those conditions and restrictions, the shares will become freely transferable by the recipient. Any grant of restricted stock may specify performance measures which, if achieved, will result in termination or early termination of the restrictions applicable to such shares.

A participant generally will not be taxed at the time of a restricted stock award but will recognize taxable income when the award vests or otherwise is no longer subject to a substantial risk of forfeiture. The amount of taxable income will be the fair market value of the shares at that time, less any amount paid for the shares. Participants may elect to be taxed at the time of grant on the fair market value of the shares included in the award by making an election under Section 83(b) of the Code within 30 days of the award date. If a restricted stock award subject to the Section 83(b) election is subsequently forfeited, no deduction or tax refund will be allowed for the amount previously recognized as income. Unless a participant makes a Section 83(b) election, any dividends or dividend equivalents paid to a participant on shares of an unvested restricted stock award will be taxable to the participant as ordinary income. If the participant made a Section 83(b) election, the dividends will be taxable to the

participant as dividend income. We will generally be entitled to a deduction at the same time and in the same amount as the ordinary income recognized by the participant. Unless a participant has made a Section 83(b) election, we will also be entitled to a deduction, for federal income tax purposes, for dividends paid on unvested restricted stock awards.

Restricted Stock Units. A grant of restricted stock units constitutes an agreement by us to deliver shares of common stock or cash to the recipient in the future upon the completion of service, performance conditions or other terms and conditions specified in the award agreement. During the applicable restriction period, the recipient will have no rights of ownership in any shares of common stock deliverable upon payment of the restricted stock units.

A participant does not recognize income, and we will not be allowed a tax deduction, at the time a restricted stock unit is granted. When the restricted stock units vest and are settled for cash or stock, the participant generally will be required to recognize as income an amount equal to the fair market value of the shares on the date of vesting, and we will generally be entitled to a deduction at the same time and in the same amount as the ordinary income recognized by the participant. Any gain or loss recognized upon a subsequent sale or exchange of the stock (if settled in stock) is treated as capital gain or loss for which we are not entitled to a deduction.

Other Awards. The 2012 Plan also provides for certain other awards, including dividend equivalent rights and performance units. Dividend equivalent rights entitle the holder to receive dividends with respect to our common stock on the same basis as our shareholders, as and when declared, during the term of the award. The value of dividend equivalent rights may be settled for cash or shares of our common stock. The terms of any dividend equivalent right or performance unit will be determined by the Compensation Committee at the time of grant. A performance unit is a bookkeeping equivalent to one share of common stock. Under a grant of a performance unit, we identify one or more performance measures that must be met within a specified period. The Compensation Committee also establishes a minimum level of acceptable achievement for the recipient. If, by the end of the performance period, the recipient has achieved the specified performance measures, the recipient will be deemed to have fully earned the performance unit. If the recipient has not achieved the performance measures, but has attained or exceeded the predetermined minimum level of acceptable achievement, the recipient may earn a portion of the performance unit. To the extent earned, the performance unit will be paid to the recipient at the time and in the manner determined in the award agreement and generally may be settled for cash or shares of our common stock. Participants will have no voting rights with respect to performance units. With respect to each of these types of awards, when the participant receives payment with respect to an award, the amount of cash and/or the fair market value of any shares of common stock received will be ordinary income to the participant, and we will generally be entitled to a tax deduction in the same amount.

Withholding. We will deduct or withhold, or require the participant to remit to us, an amount sufficient to satisfy the minimum federal, state and local and foreign taxes required by law or regulation to be withheld with respect to any taxable event as a result of a transaction under the 2012 Plan.

Certain Limitations on Deductibility of Executive Compensation. With certain exceptions, Section 162(m) of the Code limits the deduction to publicly-traded companies for compensation paid to the principal executive officer, the principal financial officer and the three other most highly compensated executive officers (covered employees), to $1 million per executive per taxable year. In addition, the accelerated vesting of awards under the 2012 Plan upon termination of employment as a result of a change of control as defined in the plan could result in a participant being considered to receive “excess parachute payments” (as defined in Section 280G of the Code), which payments are subject to a 20% excise tax imposed on the participant. We would generally not be able to deduct the excess parachute payments made to a participant.

Origin Bancorp, Inc. Employee Stock Ownership Plan. We have maintained an employee stock ownership plan since 1992. Our employee stock ownership plan containing 401(k) provisions, or ESOP, which was most recently amended and restated as of January 1, 2014, is maintained for the benefit of our employees and the employees of our subsidiaries who adopt the ESOP. Full- and part-time employees who have attained the age of 19 are eligible to participate in the ESOP after completing three months of service. Participation in the ESOP is voluntary. Participants may elect to defer a portion of their compensation to the ESOP, up to the maximum allowable under the Code. We make a discretionary matching contribution in a percentage determined each year on

the participants' first six percent of deferred compensation. We currently contribute an amount equal to 50.0% of such eligible deferred compensation. Compensation for this purpose means an individual participant's total compensation that is subject to income tax, exclusive of reimbursements and expense allowances, fringe benefits (cash and noncash), moving expenses, deferred compensation, welfare benefits (taxable and non-taxable), severance payments, amounts includable in income under any split dollar arrangement and any salary advance to a participant. In addition, at the discretion of our board of directors, we may make discretionary contributions to the plan up to the maximum amount permitted under the Code. For the year ended December 31, 2017, total expense related to the ESOP, including our contributions, totaled $1.4 million.

The employee stock ownership portion of the ESOP is designed to invest primarily in our common stock. However, participants' compensation deferrals may be invested in our stock only at the direction of the participants. As of December 31, 2017, the ESOP owned 1,151,030 shares, or 5.9%, of our outstanding common stock.

Non-qualified Stock Option Agreements. Because we did not have a formal stock option or other long-term equity plan until the adoption of the 2012 Plan, non-qualified options were issued to various executives prior to 2012, including some of our named executive officers, under individual employment or other agreements or arrangements with us. As of December 31, 2017, there were outstanding non-qualified options to purchase an aggregate of 319,500 shares of our common stock issued under stand-alone stock option agreements.

Employment Agreements

Messrs. Mills and Hall each have employment agreements with us that were effective January 1, 2016 and October 1, 2008, respectively. Mr. Mills' agreement provides for successive three-year terms of employment that renew automatically unless we provide 180 days' notice of our intent not to renew. Mr. Hall's agreement provided for an initial five-year term, with successive one-year terms of employment thereafter unless we provide 30 days' notice of our intent not to renew. Each of Mr. Mills' and Mr. Hall's agreements establishes a minimum base annual salary ($835,800 and $150,000, respectively) and provides that compensation will otherwise be as established annually by us. In addition, each agreement provides for the executive to participate in benefit programs under the same terms and conditions as our other executive officers and provides perquisites appropriate to executive officer positions. Each agreement provides for a severance payment in the event of termination of employment other than for cause equal to the bonus payment received by the executive in the prior year, prorated for the number of days of the current year during which the executive was employed by us. Additionally, any life insurance policies purchased by us with respect to Mr. Hall will be transferred to him upon his termination. As a condition to his agreement, Mr. Mills may not, for a period of two years after termination of his employment with us, solicit any of our customers or interfere with any of our customer relationships in any of the counties or parishes in which we have a banking location.

Change in Control Agreements

The occurrence or potential occurrence of a change in control could create uncertainty regarding the continued employment of our executive officers. Providing change in control benefits offers executive officers a level of security which we believe allows them to continue to focus and serve in the best interest of us and our shareholders.

The employment agreements with Messrs. Mills and Hall contain certain provisions that provide additional benefits to them in the event of a change in control which results in termination or diminished compensation or responsibilities within a period of time following the change in control. We additionally entered into a Change in Control Agreement on April 4, 2017 with Mr. Myrick. Upon a change of control and either the termination of or reduction in the responsibilities and compensation of Mr. Mills' employment within 36 months following the change of control, Mr. Mills would be entitled to a lump sum payment equal to the sum of three times his then-current base salary and three times the average bonus received by Mr. Mills in the prior three years, prorated for the number of months remaining in the 36 month term following the change in control. Additionally, Mr. Mills would be entitled to the payment of eighteen months of medical, disability and group life insurance premiums. Upon a change in control, Mr. Hall and Mr. Myrick would be entitled to a lump sum payment equal to two times their then-current base salary and two times the average bonus received by them in the prior three years.

Executive Salary Continuation Plans

Through Origin Bank, we have established executive salary continuation plans with respect to Messrs. Mills and Hall. Mr. Mills' plan, commenced in 2001, will pay upon Mr. Mills' retirement an annual benefit of $264,040 that will increase by 1.5% each year, paid in equal annual installments until Mr. Mills' death. Mr. Hall's plan, commenced in 2005, will pay upon Mr. Hall's retirement an annual benefit of $118,939 that will increase by 1.5% each year, paid in equal annual installments until Mr. Hall's death. In the event of the death of either Mr. Mills or Mr. Hall prior to their retirement, any balance in the accrued liability retirement account will be paid to the executive's designated beneficiary in a lump sum. Additionally, if the employment of either executive is terminated by the executive's voluntary action or by Origin Bank without cause, the executive will be entitled to any balance in the accrued liability retirement account, payable in three equal annual installments with interest equal to the one-year Treasury bill as of the date of such termination. Upon a change in control and a subsequent separation from employment, other than for cause, the executive will be entitled to his retirement benefit, as described above. As of December 31, 2017, the liability associated with these plans totaled approximately $1.6 million.

Benefits under the executive salary continuation plans are informally funded through life insurance policies on each executive participating under the plan. Origin Bank pays the premiums on behalf of each executive participating in the plan with respect to each policy on his or her life and the executive is indebted to Origin Bank for the cumulative amount of such premiums under split-dollar agreements between the executive and Origin Bank.

Executive Bonus Plans

We sponsor a CEO Executive Compensation Plan and an Executive Incentive Plan for our executive officers, including our named executive officers. These plans were approved by the Compensation Committee to serve as an incentive for continued improvement and enhanced operating performance and to permit those individuals charged with the responsibility for our performance to share in our success. Each plan sets forth the maximum payout that an officer may earn based on his or her annual base salary and the attainment of certain performance metrics. In 2017, we paid out $211,000 to our management team under the above-described plans based upon 2016 performance.

Risk Assessment of Compensation Policies and Practices

In connection with the Compensation Committee's evaluation and review of our policies and practices of compensating our employees, including executives and nonexecutive employees, as such policies and practices relate to risk management practices and risk-taking, the Compensation Committee has determined that its compensation plans and practices are not likely to have an adverse effect on us. The plans are subject to review and modification by the Compensation Committee on an annual basis and the Compensation Committee retains discretion with regard to any executive bonus award decisions.

Compensation of Directors

The following table sets forth compensation paid, earned or awarded during 2017 to each of our non-employee directors. The table also includes compensation attributable to the director's service with Origin Bank.

Name	Fees Earned or Paid in Cash	Stock Awards	Total
John M. Buske	$ 46,043	$ 6,025	$ 52,068
James S. D'Agostino, Jr.	47,039	6,025	53,064
James E. Davison Jr.	34,043	6,025	40,068
Hez Elkins[1]	40,043	6,025	46,068
Oliver Goldstein[2]	35,029	—	35,029
Ronald H. Graham[1]	32,039	6,025	38,064
Michael A. Jones	44,039	6,025	50,064
Jack P. Love[1]	33,035	6,025	39,060
Gary Luffey	39,035	6,025	45,060
Farrell Malone	49,043	6,025	55,068
John Pietrzak[2]	38,029	—	38,029
George M. Snellings, IV	35,039	6,025	41,064
Elizabeth Solender	39,035	6,025	45,060
Steven Taylor	39,035	6,025	45,060
David L. Winkler[1]	45,035	6,025	51,060

(1) Messrs. Elkins, Graham, Love and Winkler retired from our board of directors as of January 24, 2018.

(2) Messrs. Goldstein and Pietrzak serve on our board of directors as representatives of their investment firms, Pine Brook and Castle Creek, respectively. Fees earned for service on the board are paid directly to their respective companies. The value of equity which would have been paid to these directors was paid to their companies in cash.

We pay our non-employee directors an annual retainer and additional fees based on the directors' committee memberships, and Origin Bank pays its directors in the same manner. During 2017, non-employee directors received an annual retainer of $24,000 and annual committee fees of $6,000 for the Audit, Risk and Compliance, $3,000 for the compensation, and $2,000 for each of the Finance, Corporate Governance, Mortgage, and Information Technology committees. The lead director receives an additional $16,000 for his services as lead director during 2017. The Chairs of the Audit, Risk and Compliance Committee, Compensation Committee and Corporate Governance Committee received additional annual compensation totaling $12,000, $8,000 and $4,000, respectively. During 2017, our directors (and those of Origin Bank) received approximately $6,000 in equity-based awards. Finally, we paid our directors a discretionary cash bonus of $3,000 per director at the end of 2017. Directors who are also employees receive no additional compensation for their service as directors.

Directors have been and will continue to be reimbursed for travel, food, lodging and other expenses directly related to their activities as directors. Directors are also entitled to the protection provided by the indemnification provisions in our articles of incorporation and bylaws, as well as the articles of incorporation and bylaws of Origin Bank, as applicable.

PRINCIPAL SHAREHOLDERS

The following table provides information regarding the beneficial ownership of our voting common stock as of February 28, 2018 and as adjusted to reflect the completion of this offering, for:

- each person known to us to be the beneficial owner of more than five percent of our common stock;
- each of our directors and named executive officers; and
- all directors and executive officers, as a group.

We have determined beneficial ownership in accordance with the rules of the SEC. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons named in the table below have sole voting and investment power with respect to all shares of common stock that they beneficially own, subject to applicable community property laws. Unless otherwise noted, the address for each shareholder listed on the table below is: c/o Origin Bancorp, Inc., 500 South Service Road East, Ruston, Louisiana 71270.

The table below calculates the percentage of beneficial ownership based on 19,525,489 shares of common stock as of February 28, 2018 and shares of common stock outstanding following the offering, except as follows. In computing the number of shares of common stock beneficially owned by a person and the percentage ownership of that person, we deemed outstanding shares of common stock subject to options or other convertible or exercisable securities held by that person that are currently exercisable or convertible or exercisable or convertible within 60 days. However, we did not deem these shares outstanding for the purpose of computing the percentage ownership of any other person.

	Shares Beneficially Owned Before Offering		Shares Beneficially Owned After Offering	
Name of Beneficial Owner	**Number**	**Percent**	**Number**	**Percent**
5% or Greater Shareholders:				
Pine Brook Road Associates, L.P.[1]	1,803,285	9.24%		
Castle Creek Capital Partners IV, LP[2]	1,621,622	8.31%		
Origin Bancorp, Inc. Employee Stock Ownership Plan[3]	1,151,030	5.90%		
The Banc Funds Company, LLC[4]	995,086	5.10%		
Directors and Named Executive Officers:				
John M. Buske[5][6]	53,163	*		
James D'Agostino, Jr.[5]	34,788	*		
James E. Davison, Jr. [5][7]	599,000	3.07%		
Oliver Goldstein[8]	—	—		
M. Lance Hall[9]	11,772	*		
Michael A. Jones [5]	205,453	1.05%		
Gary Luffey[5]	140,989	*		
Farrell Malone[5]	2,314	*		
Drake Mills[10]	207,474	1.05%		
F. Ronnie Myrick[11]	127,537	*		
John Pietrzak[12]	—	—		
George M. Snellings, IV[5][13]	19,759	*		
Elizabeth E. Solender[5][14]	9,716	*		
Steven Taylor[5][15]	62,022	*		
All directors and executive officers as a group (16 persons)	1,500,995	7.68%		

(1) Represents shares held of record by Pine Brook Capital Partners (Cayman), L.P., Pine Brook Capital Partners, L.P., and Pine Brook Capital Partners (SSP Offshore) II, L.P. In addition, Pine Brook Capital Partners (Cayman), L.P., Pine Brook Capital Partners, L.P., and Pine Brook Capital Partners (SSP Offshore) II, L.P. own 901,644 shares of our Series D preferred stock, which may be convertible in the future into 901,644 shares of our common stock, subject to adjustment. Pine Brook Road Associates, L.P. serves as general partner for Pine Brook Capital Partners (Cayman), L.P., Pine Brook Capital Partners, L.P., and Pine Brook Capital Partners (SSP Offshore) II, L.P. PBRA, LLC serves as general partner for Pine Brook Road Associates, L.P. Howard Newman is the sole member of PBRA, LLC, and has investment and voting control over the shares held or controlled by PBRA, LLC. Howard Newman, PBRA, LLC, and Pine Brook Road Associates, L.P. each disclaims any beneficial ownership in Pine Brook Capital Partners (Cayman), L.P., Pine Brook Capital Partners, L.P., and Pine Brook Capital Partners (SSP Offshore) II, L.P., except to the extent of its pecuniary interest therein, if any. Pursuant to Rule 16a-1(a)(4) under the Securities Exchange Act of 1934, the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all of the reported securities by any reporting person for purposes of Section 16 or for any other purpose. The address of each of the entities identified in this note is c/o Pine Brook Road Partners, LLC, 60 East 42nd Street, 50th Floor, New York, NY 10165.

(2) Represents shares held of record by Castle Creek Capital Partners IV, LP, for which Castle Creek Capital IV LLC serves as general partner. The business address for Castle Creek Partners IV, LP is 6051 El Tordo, Rancho Santa Fe, California 92067.

(3) Following the completion of this offering, each participant in the plan will have the right to direct the trustee to vote the shares allocated to his or her account on all matters requiring a vote of the shareholders. In the event that a participant does not direct the trustee on how to vote his or her allocated shares, the trustee will determine how such shares are to be voted. The trustee also has the right to vote all of the shares held by the employee stock ownership plan that are not allocated to participant accounts and may be deemed the beneficial owner thereof.

(4) Represents shares held of record by Banc Fund VII, L.P., Banc Fund VIII, L.P., and Banc Fund IX, L.P., which are controlled by The Banc Funds Company, LLC. The business address of The Banc Funds Company, LLC is 20 North Wacker Drive, Suite 3300, Chicago, Illinois 60606.

(5) Includes 233 shares of unvested restricted stock.

(6) Includes 32,704 shares held of record in an individual retirement account for his benefit and 3,880 shares held of record in an individual retirement account for the benefit of his spouse.

(7) Includes 14,816 shares held of record by his children.

(8) Does not include any shares of common stock held by Pine Brook, which are described in note 1 to this table, for which Mr. Goldstein disclaims beneficial ownership.

(9) Includes 146 shares of unvested restricted stock.

(10) Includes 3,466 shares held of record in an individual retirement account for his benefit, options to purchase 170,000 shares of common stock and 400 shares of unvested restricted stock.

(11) Includes 108 shares of unvested restricted stock, 8,138 shares held of record by his spouse, 37,942 shares held of record in an individual retirement account for his benefit and 22,560 shares held of record by an entity over which he has beneficial ownership.

(12) Does not include any shares of common stock held by Castle Creek Capital Partners IV, LP, which are described in note 2 to this table, for which Mr. Pietrzak disclaims beneficial ownership.

(13) Includes 3,049 shares held of record in an individual retirement account for his benefit, 599 shares held of record in an individual retirement account for the benefit of his spouse, 1,620 shares held of record by his spouse, and an aggregate of 3,367 shares held of record by his children.

(14) Includes 7,000 shares held of record in an individual retirement account for her benefit.

(15) Includes 30,140 shares held of record by entities over which he shares beneficial ownership.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In addition to the compensation arrangements with directors and executive officers described in *"Executive Compensation"* above, the following is a description of each transaction since January 1, 2015 in which:

- we have been or are to be a participant;
- the amount involved exceeds or will exceed $120,000; and
- any of our directors, executive officers or beneficial holders of more than 5% of our capital stock, or any immediate family member of or person sharing the household with any of these individuals (other than tenants or employees), had or will have a direct or indirect material interest.

Certain Commercial Relationships

Lincoln Builders, Inc. provides construction services relating to new and existing bank locations and is owned by one of our former directors, Ronald Graham. We made payments of approximately $1.3 million and $2.2 million to Lincoln Builders for the years ended December 31, 2017 and 2016, respectively, related to construction services.

Twin Oaks Landscaping Service, a landscaping company owned by one of our former directors, Jack Love, is engaged to perform lawn and landscaping services for us and Origin Bank. We made payments of approximately $134,000 and $154,000 to Twin Oaks Landscaping Service for the years ended 2017 and 2016, respectively.

Ruston Aviation, Inc. is engaged by us from time to time to provide private air transportation to our management team. The sole owner of Ruston Aviation, Inc., James E. Davison, is the father of one of our directors, James E. Davison, Jr. We made payments of approximately $189,000 and $134,000 to Ruston Aviation, Inc. for the years ended 2017 and 2016, respectively.

We believe the terms of each of the transactions described above are no less favorable to us than we could have obtained from an unaffiliated third party. We expect to continue to engage in similar transactions in the ordinary course of business with our directors, executive officers, principal shareholders and their associates. Following the completion of the offering, all related party transactions will be reviewed and approved in accordance with our Related Party Transaction Policy, discussed below.

Agreements with Certain Institutional Investors

In December 2012, we completed a private placement of our common stock and our Series D preferred stock, in which we raised gross proceeds of approximately $85.0 million. As a result of this private placement, a significant portion of our outstanding equity is held by six funds affiliated with three institutional investors, including Pine Brook, Castle Creek, Banc Fund VII L.P. and Banc Fund VIII L.P., which we collectively refer to as the institutional investors. In connection with our 2012 private placement, we entered into Securities Purchase Agreements, dated as of November 9, 2012, with each of the institutional investors. Under these agreements, we have agreed to comply with certain continuing obligations with respect to certain of the institutional investors which are described in more detail below.

Additionally, in November 2016, we completed a private placement of our common stock and our Series D preferred stock, in which we raised gross proceeds of approximately $45.0 million. Some of the securities sold in this offering were purchased by the institutional investors and are entitled to the rights and subject to the limitations described below provided for in the Securities Purchase Agreements and Registration Rights Agreements entered into in 2012 with the institutional investors. In the offering, Banc Fund IX L.P., an entity affiliated with Banc Fund VII L.P. and Banc Fund VIII L.P., also purchased shares of our common stock; however, the shares held by Banc Fund IX L.P. are not entitled to the rights and are not subject to the limitations described below.

Board Representation and Observer Rights. We have agreed to nominate one person designated by Pine Brook and one person designated by Castle Creek to our board of directors, subject to satisfaction of the legal and

governance requirements regarding service as a member of our board of directors and to the reasonable approval of our Nominating and Corporate Governance Committee, and to the board of directors of Origin Bank. We have also agreed that we will use our reasonable best efforts to have the board representatives elected to our board of directors and will solicit proxies for the board representatives to the same extent as we do for any of our other board nominees. We have further agreed to ensure, and to cause Origin Bank to ensure, that each committee of our respective boards of directors upon which one of the institutional investor board representatives is appointed will have at least four members. In addition, subject to limited exceptions, we have agreed to invite one person designated by Pine Brook and one person designated by Castle Creek to attend all meetings of our board of directors and all meetings of the board of directors of Origin Bank, including certain committee meetings.

The above-described board representation and board observation rights will continue with respect to the applicable institutional investor for so long as that investor, together with its affiliates, continues to hold 4.9% or more of our issued and outstanding common stock on an as-converted basis. If either institutional investor ceases to hold the required ownership percentage, that institutional investor will no longer have any further board representation rights, and the institutional investor will use all reasonable best efforts to cause its board representative to promptly resign from our board of directors and from the board of directors of Origin Bank. Currently, Oliver Goldstein serves on our board of directors as the representative of Pine Brook, and John Pietrzak serves on our board of directors as the representative of Castle Creek.

Indemnification. We have agreed that we will be the indemnitor of "first resort" with respect to any claims against the director designated by any of the institutional investors for indemnification claims that are indemnifiable by both us and the institutional investor. To the extent that indemnification is permissible under applicable law, we will have full liability for such claims, including for the advancement of any expenses.

Financial Reporting and Access Rights. We have also agreed to certain ongoing financial reporting obligations. In particular, we have agreed to provide to each institutional investor: (1) our unaudited quarterly financial statements that have been certified by our Chief Executive Officer or our Chief Financial Officer, (2) our audited annual financial statements that have been certified by our independent public accountant, our Chief Executive Officer or our Chief Financial Officer, (3) upon request, statements showing the number of shares of each class and series of our capital stock and securities convertible into or exercisable for shares of our capital stock, certified by our Chief Executive Officer or our Chief Financial officer and containing sufficient detail as to permit the requesting institutional investor to calculate its percentage equity ownership, and (4) subject to limited exceptions, such other information that may be requested by the institutional investors relating to our financial condition, business, prospects or corporate affairs. In addition, we have agreed to grant the institutional investors reasonable access to inspect our properties and corporate and financial records and to discuss our business with key personnel.

Non-Dilution Rights. We have agreed that, for so long as such institutional investor has not transferred any of the shares of our common or Series D preferred stock that it purchased in our 2012 private placement, that institutional investor will generally have the right to purchase its pro rata share of any securities that we may issue in the future, subject to the ownership limitations discussed below. This purchase right, however, will not apply with respect to:

- securities issued to our employees, officers, directors or consultants under any employee benefit plan or compensatory arrangement approved by our board of directors;
- securities issued as consideration in connection with any bona fide, arm's-length merger, acquisition or similar transaction;
- securities issued in connection with the exercise or conversion of our outstanding securities or any interest payment, dividend or distribution on those securities; or
- securities issued in connection with any expedited issuance of new securities undertaken at the written direction of a bank regulatory agency.

The purchase right would be triggered as a result of this offering, although each of the institutional investors has waived its purchase rights in connection with the offering.

Ownership Limitations. The Securities Purchase Agreements provide that each institutional investor's beneficial ownership of our common stock, collectively with the beneficial ownership of its affiliates, will be limited. The Securities Purchase Agreement with Pine Brook limits its beneficial ownership to 15.0% of the issued and outstanding shares of our common stock, on an as-converted basis. The Securities Purchase Agreements with each of the other institutional investors limit their respective beneficial ownership to 9.9% of the issued and outstanding shares of our common stock, on an as-converted basis.

Registration Rights. In connection with the 2012 private placement, we entered into Registration Rights Agreements with each of the institutional investors. The Registration Rights Agreement provides that, after December 31, 2015, holders of at least 15.0% of the then outstanding shares of Registrable Securities (as defined in the Registration Rights Agreement) subject to each Registration Rights Agreement, or a number of shares reasonably expected to result in aggregate gross cash proceeds in excess of $50.0 million, may require up to twice annually that we register their shares under and in accordance with the Securities Act. The institutional investors may also demand that we register their shares 180 days following our initial public offering; provided that the aggregate offering price of the securities to be registered is at least $25.0 million. We will be required to pay all registration expenses in connection with up to two demand registrations per year, unless the registration is not consummated solely as a result of the withdrawal of the holders who demanded registration. Upon such a withdrawal, the demanding holders must reimburse us for our expenses related to the withdrawn registration, or alternatively, the attempted registration will count as one of the two registration statements that we are required to consummate each year.

The Registration Rights Agreement also provides certain "piggyback" registration rights to the institutional investors. Subject to certain limitations, in the event that we register any of our equity securities under the Securities Act (other than in connection with registration statements on Form S-4 or Form S-8, or a transaction to which Rule 145 or any other similar SEC regulation is applicable), we must give notice to the institutional investors of our intention to effect such a registration and must include in the registration statement all registrable securities for which we have received a written request for inclusion. We will be required to pay for all piggyback registration expenses, even if the registration is not completed. Each of the institutional investors has temporarily waived its demand and piggyback registration rights in connection with this offering.

In addition to our registration obligations described above, we have agreed to use our reasonable best efforts to qualify for registration on a shelf registration statement on Form S-3 as promptly as possible following the occurrence of our initial public offering. Thereafter, any institutional investor will have the right to elect that any demand registration be made on a shelf registration statement, in which case we will be required to file with the SEC a shelf registration statement with the SEC not later than forty-five calendar days after our receipt of the related demand notice. We will be required to pay all registration expenses incurred in connection with the shelf registrations.

We may postpone the filing or effectiveness of a registration statement required under the Registration Rights Agreement if we have been advised by our legal counsel that the registration would require disclosure of a material non-public fact, and we determine reasonably and in good faith that such disclosure would be harmful to us or would have a material adverse effect on our business or on a financing transaction. We may not defer our registration obligation in this manner for more than ninety days or more than once per year. In addition, we have agreed not to effect or initiate a registration statement for any public sale or distribution of our securities similar to those being registered during the 14 days prior to, and during the 90-day period beginning on the effective date of any registration statement in which the holders of registrable securities are participating (except as a part of such registration). We have also agreed that any of our privately placed securities will be issued subject to an agreement limiting the public sale or distribution of those securities to the periods described above.

The demand and piggyback registration rights with respect to the shares of our common and preferred stock that are held by an institutional investor will terminate after those shares have been sold or transferred under an

effective registration statement or in accordance with Rule 144 under the Securities Act, or if those shares cease to be outstanding.

Private Sales of Capital Stock

The following table summarizes the purchases of our common stock in private transactions conducted pursuant to applicable exemptions from the registration requirements of the Securities Act since January 1, 2015 by certain of our directors, executive officers, and beneficial holders of more than five percent of our common stock and their respective affiliates. All of the transactions described below were made in connection with our 2016 private placement and were for the same purchase price per share paid by the other investors that participated in the offering.

Stockholder	Issue Date	Shares	Total Sales Price
John M. Buske (director)	November 23, 2016	53	$ 1,166
James D'Agostino, Jr. (director)	November 23, 2016	13,538	297,836
James E. Davison, Jr. (director)	November 23, 2016	4,150	91,300
Michael A. Jones (director)	November 23, 2016	53	1,166
Gary Luffey (director)	November 23, 2016	53	1,166
Farrell Malone (director)	November 23, 2016	1,064	23,408
Drake Mills (Chairman, CEO & President)	November 23, 2016	532	11,704
F. Ronnie Myrick (Chief Banking Officer and director)	November 23, 2016	53	1,166
George M. Snellings, IV (director)	November 23, 2016	1,711	37,642
Elizabeth E. Solender (director)	November 23, 2016	1,210	26,620
Steven Taylor (director)	November 23, 2016	1,330	29,260
Pine Brook Road Associates, L.P. (5% holder)[(1)]	November 23, 2016	181,663	3,996,586
The Banc Funds Company, LLC (5% holder)[(2)]	November 23, 2016	454,546	10,000,012

(1) Represents 145,753 shares purchased by Pine Brook Capital Partners, L.P., 25,731 shares purchased by Pine Brook Capital Partners (SSP Offshore) II, L.P., and 10,179 shares purchased by Pine Brook Capital Partners (Cayman), L.P., for which Pine Brook Road Associates, L.P. serves as general partner (which we collectively refer to as Pine Brook).

(2) Represents 50,000 shares purchased by Banc Fund VIII L.P. and 404,546 shares purchased by Banc Fund IX L.P., for which The Banc Funds Company, LLC serves as general partner.

In addition, in connection with its purchase of common stock, as described above, Pine Brook purchased 90,832 shares of our Series D preferred stock on November 23, 2016 for a total purchase price of $1,998,304.

Directed Share Program

At our request, the underwriters have reserved up to shares of our common stock offered by this prospectus for sale, at the initial public offering price, to our directors, executive officers, employees and certain other persons who have expressed an interest in purchasing our common stock in this offering. We will offer these shares to the extent permitted under applicable regulations in the United States through a directed share program. See "Underwriting — Directed Share Program."

Ordinary Banking Relationships

Certain of our officers, directors and principal shareholders, as well as their immediate family members and affiliates, are customers of, or have or have had transactions with, Origin Bank, us or our affiliates in the ordinary course of business. These transactions include deposits, loans and other financial services related transactions. Related party transactions are made in the ordinary course of business, on substantially the same terms, including interest rates and collateral (where applicable), as those prevailing at the time for comparable transactions with persons not related to us, and do not involve more than normal risk of collectability or present other features

unfavorable to us. As of December 31, 2017, we had approximately $9.9 million of loans outstanding to our directors and officers, their immediate family members and their affiliates, as well as those of Origin Bank, and we had approximately $12.4 million in unfunded loan commitments to these persons. As of the date of this prospectus, no related party loans were categorized as nonaccrual, past due, restructured or potential problem loans. We expect to continue to enter into transactions in the ordinary course of business on similar terms with our officers, directors and principal shareholders, as well as their immediate family members and affiliates.

Policies and Procedures Regarding Related Party Transactions

Transactions by Origin Bank or us with related parties are subject to a formal written policy, as well as regulatory requirements and restrictions. These requirements and restrictions include Sections 23A and 23B of the Federal Reserve Act (which govern certain transactions by Origin Bank with its affiliates) and the Federal Reserve's Regulation O (which governs certain loans by Origin Bank to its executive officers, directors, and principal shareholders). We and our wholly owned subsidiary, Origin Bank, have adopted policies designed to ensure compliance with these regulatory requirements and restrictions.

In addition, prior to the completion of this offering, our board of directors intends to supplement our written policy governing the approval of related party transactions so that it will comply with all applicable requirements of the SEC and the Nasdaq Stock Market concerning related party transactions. Related party transactions are transactions in which we are a participant, the amount involved exceeds $120,000 and a related party has or will have a direct or indirect material interest. Related parties include our directors (including nominees for election as directors), our executive officers, beneficial holders of more than 5% of our capital stock and the immediate family members of these persons. Our Chief Risk Officer, in consultation with management and outside counsel, as appropriate, will review potential related party transactions to determine if they are subject to the policy. If so, the transaction will be referred to the Nominating and Corporate Governance Committee for approval. In determining whether to approve a related party transaction, the committee will consider, among other factors, the fairness of the proposed transaction, the direct or indirect nature of the related party's interest in the transaction, the appearance of an improper conflict of interests for any director or executive officer taking into account the size of the transaction and the financial position of the related party, whether the transaction would impair an outside director's independence, the acceptability of the transaction to our regulators and the potential violations of other corporate policies. Upon the completion of this offering, our Related Party Transactions Policy will be available on our website.

DESCRIPTION OF CAPITAL STOCK

The following is a summary of our capital stock and certain terms of our articles of incorporation and bylaws as they will be in effect upon completion of the offering. This discussion summarizes some of the important rights of our stockholders but does not purport to be a complete description of these rights and may not contain all of the information regarding our capital stock that is important to you. The descriptions herein are qualified in their entirety by reference to our articles of incorporation and bylaws, copies of which are filed with the SEC as exhibits to the registration statement of which this prospectus is a part, and applicable law.

General

We are incorporated in the state of Louisiana. Accordingly, the rights of our shareholders are generally covered by Louisiana law, including the LBCA, and our articles of incorporation and bylaws, as the same may be amended from time to time.

Our articles of incorporation authorize us to issue a total of 50,000,000 shares of common stock, par value $5.00 per share, and 2,000,000 shares of preferred stock, no par value, of which 48,260 shares have been designated as "Senior Noncumulative Perpetual Preferred Stock, Series SBLF," or SBLF preferred stock, and 950,000 have been designated as "Series D Nonvoting Convertible Preferred Stock," or Series D preferred stock.

As of February 28, 2018, 19,525,489 shares of our common stock were issued and outstanding, and held by approximately 1,240 shareholders of record, 48,260 shares of our SBLF preferred stock were issued and outstanding and 901,644 shares of our Series D preferred stock were issued and outstanding. Also, as of February 28, 2018, there were outstanding options to purchase 319,500 shares of our common stock held by our employees, officers and directors.

Upon completion of this offering, all authorized but unissued shares of our capital stock will be available for future issuance without shareholder approval, unless otherwise required by applicable law or the rules of any applicable securities exchange.

Common Stock

Voting Rights. The holders of our common stock are entitled to one vote per share on all matters submitted to a vote of the shareholders, unless otherwise provided by law and subject to the rights and preferences of the holders of any outstanding shares of our preferred stock. Holders of our common stock are not entitled to cumulative voting in the election of directors. Directors are elected by a majority of the votes cast, unless the number of director nominees exceeds the number of directors to be elected at the meeting, in which case directors would be elected by a plurality of the votes cast.

Dividend Rights. Subject to certain regulatory restrictions discussed in this prospectus and to the rights of holders of any preferred stock that we may issue, all shares of our common stock are entitled to share equally in dividends from legally available funds, when, as, and if declared by our board of directors. For additional information, see "Dividend Policy."

No Preemptive Rights. No holder of our common stock has a right under the LBCA, or our articles of incorporation or bylaws, to purchase shares of common stock upon any future issuance. Certain holders of our common and preferred stock have contractual rights to purchase additional shares of our capital stock upon certain future issuances of our securities. For more information about these rights, see "Certain Relationships and Related Party Transactions – Agreements with Certain Institutional Investors."

Liquidation Rights. In the event of our liquidation, dissolution or winding up, whether voluntarily or involuntarily, the holders of our common stock would be entitled to share ratably in any of the net assets or funds which are available for distribution to shareholders, after the satisfaction of all liabilities and accrued and unpaid dividends and liquidation preferences on any outstanding preferred stock.

Modification of Certain Rights. Our articles of incorporation provide that the approval of not less than two-thirds of the total voting power of the corporation will be required to amend the indemnification and limitation of liability provisions of our articles of incorporation. Our articles of incorporation also provide that our bylaws may be amended by a vote of not less than two-thirds of the directors then holding office, subject to the power of the shareholders, acting by a vote of the holders of not less than two-thirds of the total voting power of the corporation, to change or repeal the bylaws, including any amendments to the bylaws adopted by our board of directors.

Other. Holders of our common stock have no conversion rights or other subscription rights. There are no other redemption or sinking fund provisions that are applicable to our common stock.

Preferred Stock

Our articles of incorporation permit us to issue one or more series of preferred stock and authorize our board of directors to designate the preferences, limitations and relative rights of any such series of preferred stock. Each share of a series of preferred stock will have the same relative rights as, and be identical in all respects with, all the other shares of the same series. Preferred stock may have voting rights, subject to applicable law and determination at issuance of our board of directors. While the terms of preferred stock may vary from series to series, common shareholders should assume that all shares of preferred stock will be senior to our common stock in respect of distributions and on liquidation.

Although the creation and authorization of preferred stock does not, in and of itself, have any effect on the rights of the holders of our common stock, the issuance of one or more series of preferred stock may affect the holders of common stock in a number of respects, including the following: by subordinating our common stock to the preferred stock with respect to dividend rights, liquidation preferences, and other rights, preferences, and privileges; by diluting the voting power of our common stock; by diluting the earnings per share of our common stock; and by issuing common stock, upon the conversion of the preferred stock, at a price below the fair market value or original issue price of the common stock that is outstanding prior to such issuance.

At this time, two series of preferred stock are authorized, issued and outstanding. We issued 48,260 shares of our SBLF preferred stock in connection with our participation in the U.S. Treasury's Small Business Lending Fund program, all of which are outstanding. We have issued an aggregate of 901,644 shares of our Series D preferred stock in connection with private placements of our capital stock in 2012 and 2016.

SBLF Preferred Stock. The Small Business Lending Fund program was created by the U.S. Treasury to encourage banks to increase lending to small businesses by offering low cost capital to qualified issuers. Because we were already active in lending to small businesses in our market area, the program represented an opportunity to access low cost capital that was non-dilutive to our shareholders. In connection with our participation in the program, we created and issued to the Treasury 48,260 shares of our SBLF preferred stock in July 6, 2011.

Dividends. The terms of our SBLF preferred stock provide for the payment of noncumulative dividends on a quarterly basis beginning October 1, 2011. The dividend rate, as a percentage of the liquidation amount, initially fluctuated based upon, among other things, changes in the level of our qualified small business lending. On January 6, 2016, however, the rate on our SBLF preferred stock increased to a fixed rate of 9.0%. The dividend rate on our SBLF preferred stock will remain fixed at 9.0% for so long as it remains outstanding.

Restrictions on Repurchases or Dividends. Generally, we may pay dividends on preferred shares ranking on parity with the SBLF preferred stock, junior preferred shares or other junior securities (including common stock) or redeem or repurchase equity securities, if after giving effect to the dividend payment or share repurchase, the dollar amount of our Tier 1 capital would be at least equal to the "Tier 1 Dividend Threshold," which is 90.0% of our Tier 1 capital amount at July 6, 2011, the issue date for the SBLF preferred, plus the aggregate liquidation amount of our SBLF preferred stock, less any net charge-offs since the issue date; provided that the Tier 1 Dividend Threshold will be further decreased by $4.8 million for every 1.0% increase in "qualified small business lending" we have achieved since the issue date and prior to July 5, 2021.

Notwithstanding the foregoing, as long as our SBLF preferred stock remains outstanding, during any quarter in which we fail to declare and pay dividends on the SBLF preferred stock and for the next three quarters

thereafter, we may not pay dividends on our common stock or our Series D preferred stock and we may not repurchase or redeem any shares of our common stock or our Series D preferred stock. To date, we have not failed to declare and pay dividends on the SBLF preferred stock.

Redemption. Our SBLF preferred stock is subject to redemption, in whole or in part, at our option, subject to the prior approval of the Federal Reserve. Partial redemptions must be in amounts equal to either $12.1 million or, if less than $12.1 million, all of our outstanding SBLF preferred stock.

Voting Rights. Our SBLF preferred stock will generally be nonvoting, other than for consent rights granted to the Treasury with respect to (1) any authorization or issuance of shares ranking senior to the SBLF preferred stock, (2) any amendment to the rights of the SBLF preferred stock and (3) any merger, exchange, dissolution or similar transaction which would affect the rights of the SBLF preferred stock.

Series D Preferred Stock. In connection with our 2012 private placement offering, we issued 810,812 shares of our Series D preferred stock to Pine Brook. We issued an additional 90,832 shares of our Series D preferred stock to Pine Brook in connection with our 2016 private placement. On an as-converted basis as of December 31, 2017, the total of these shares represented approximately 4.4% of our outstanding common stock, or approximately % of our outstanding common stock on a pro forma basis after the completion of this offering, assuming no exercise of the underwriters' purchase option. Our Series D preferred stock is perpetual, although it is subject to mandatory conversion as described below. Our Series D preferred stock generally ranks on par with our common stock with respect to dividends and it ranks senior to our common stock with respect to rights or distributions upon liquidation or dissolution.

Dividends. In the event that we declare or pay any dividends on our common stock, we must also declare and pay a dividend on our Series D preferred stock in the amount that would have been declared and paid with respect to the number of shares of common stock into which the shares of Series D preferred stock are convertible. Our Series D preferred stock does not have preferred or separate dividend rights.

Liquidation Rights. In the event of our liquidation, dissolution or winding up, whether voluntarily or involuntarily, each holder of our Series D preferred stock would be entitled to be paid before any distribution or payment is made on any of our common stock an amount equal to the greater of: (1) one cent per share, or (2) the amount that the holder would be entitled to receive upon our liquidation if all of the holder's shares of Series D preferred stock were converted into common stock immediately prior to the liquidation.

Voting. The holders of our Series D preferred stock generally do not have voting rights. However, the holders of our Series D preferred stock, voting as a single class, will be necessary:

- to effect or validate any amendment, alteration or repeal (including by means of merger, consolidation or otherwise) of any provision of our articles of incorporation or bylaws that would adversely affect the rights of the holders of our Series D preferred stock; and
- to consummate a "reorganization event," which is generally defined to include a merger, consolidation or sale of substantially all of our assets, in which the Series D preferred stock is not converted into common stock or otherwise afforded certain protections under the certificate of designation for our Series D preferred stock.

Conversion. Our Series D preferred stock is subject to voluntary and mandatory conversion. A mandatory conversion will occur when a holder of our Series D preferred stock transfers any shares of the Series D preferred stock to a holder that is a non-affiliate. Upon such a transaction, the shares of Series D preferred stock transferred will automatically be converted into shares of our common stock on a one-for-one basis. Our Series D preferred stock are also subject to conversion, on a one-for-one basis, at the discretion of the holder or us, to the extent that the holder of the Series D preferred stock that is to be converted, together with its affiliates, would not own more than 9.99% of our common stock, or any class of voting securities, following such conversion. We expect that a portion of the issued and outstanding Series D preferred stock will be converted into common stock immediately following the completion of the offering because the issuance of common stock in this offering will reduce the aggregate ownership of Pine Brook to less than 9.99% of our issued and outstanding common shares.

No Preemptive Rights. No holder of our Series D preferred stock has a right under the LBCA, or our articles of incorporation or bylaws, to purchase shares of common stock upon any future issuance. However, the holder of our preferred stock has a contractual right to purchase additional shares of our capital stock upon certain future issuances of our securities. For more information about these rights, see *"Certain Relationships and Related Party Transactions-Agreements with Certain Institutional Investors—Non-Dilution Rights."*

Transfer Restrictions. Shares of our Series D preferred stock are subject to transfer restrictions and may not be transferred except pursuant to a "permissible transfer." The certificate of designation for our Series D preferred stock defines a "permissible transfer" to include: (1) a transfer to an affiliate of the holder, (2) a transfer in a widespread public distribution of the common stock or Series D preferred stock, (3) a transfer in which no transferee or group of associated transferees would receive 2% or more of any class of our "voting securities," as defined by Federal Reserve Regulation Y (12 C.F.R. § 225, *et. seq.*), and (4) a transfer to a transferee that would control more than a majority of our "voting securities," not including voting securities such person is acquiring from the transferor.

Anti-Takeover Effect of Governing Documents and Applicable Law

Certain provisions of our articles of incorporation and bylaws, and the corporate and banking laws applicable to us, may be deemed to have anti-takeover effects and may delay, prevent or make more difficult unsolicited tender offers or takeover attempts that a shareholder may consider to be in his or her best interests, including those attempts that might result in a premium over the market price for the shares held by shareholders. These provisions may also have the effect of making it more difficult for third parties to cause the replacement of our current management.

Authorized but Unissued Shares. The corporate laws and regulations applicable to us enable our board of directors to issue, from time to time and at its discretion, but subject to the rules of any applicable securities exchange, any authorized but unissued shares of our common or preferred stock. Any such issuance of shares could be utilized for a variety of corporate purposes, including future offerings to raise additional capital, acquisitions and employee benefit plans. The ability of our board of directors to issue authorized but unissued shares of our common or preferred stock at its sole discretion may enable our board to sell shares to individuals or groups who the board perceives as friendly with management, which may make more difficult unsolicited attempts to obtain control of our organization. In addition, the ability of our board of directors to issue authorized but unissued shares of our capital stock at its sole discretion could deprive the shareholders of opportunities to sell their shares of common stock or preferred stock for prices higher than prevailing market prices.

Preferred Stock. Our articles of incorporation contains provisions that permit our board of directors to issue, without any further vote or action by the shareholders, shares of preferred stock in one or more series and, with respect to each such series, to fix the number of shares constituting the series and the designation of the series, the voting rights (if any) of the shares of the series, and the powers, preferences and relative, participation, optional and other special rights, if any, and any qualifications, limitations or restrictions, of the shares of such series.

Classified Board. Our articles of incorporation provide that our board of directors is divided into three classes, with the directors in each class serving a three-year term. The election of directors is staggered so that approximately one-third of the board of directors is elected at each annual meeting.

Board Size and Vacancies. Our bylaws enable our board of directors to increase the size of the board between annual meetings and fill the vacancies created by the increase by a majority of the remaining directors.

No Cumulative Voting. The LBCA does not permit cumulative voting in the election of directors, unless expressly provided in a corporation's articles of incorporation, and our articles do not provide for such authority. In the absence of cumulative voting, the holders of a majority of the shares of our common stock may elect all of the directors standing for election, if they should so choose.

Special Meetings of Shareholders. For a special shareholders' meeting to be called by one or more shareholder(s), our articles of incorporation require the request of holders of at least 25% of the outstanding shares of our capital stock entitled to vote at a meeting to call a special shareholders' meeting.

Advance Notice Procedures for Director Nominations and Shareholder Proposals. Our bylaws establish an advance notice procedure with regard to business to be brought before an annual or special meeting of shareholders and with regard to the nomination of candidates for election as directors, other than by or at the direction of the board of directors. Although this procedure does not give our board of directors any power to approve or disapprove shareholder nominations for the election of directors or proposals for action, it may have the effect of precluding a contest for the election of directors or the consideration of shareholder proposals if the established procedure is not followed, and of discouraging or deterring a third party from conducting a solicitation of proxies to elect its own slate of directors or to approve its proposal without regard to whether consideration of the nominees or proposals might be harmful or beneficial to our shareholders and us.

Action by Written Consent. Under the LBCA, unless otherwise provided in a corporation's articles of incorporation, no action required or permitted to be taken at an annual or special meeting of shareholders may be taken by written consent in lieu of a meeting unless such written consent is signed by all shareholders. Our articles of incorporation do not contain a provision allowing for less than unanimous written consent. As a result, the requirement that actions taken by written consent be unanimous ensures that shareholders cannot effect a business combination or other corporate action without the knowledge and involvement of all of our shareholders.

Amending Certain Provisions of our Articles of Incorporation. Our articles of incorporation require a two-thirds vote of our stockholders to modify the sections of our articles of incorporation addressing limitation of liability and indemnification of our officers and directors, which provide limitation of liability and indemnification to the maximum extent permitted by law.

Amending our Bylaws. Our board of directors may amend our bylaws without shareholder approval. In addition, amendments to our bylaws proposed by our shareholders must be approved by the holders of not less than two-thirds of the total voting power of the corporation.

Approval of Merger. The LBCA requires that a merger, consolidation or share exchange to which we are a party be approved a majority of the votes entitled to be cast or two-thirds of the voting power present, in person or by proxy, at the shareholders' meeting, whichever is greater, subject to certain limited exceptions.

Notice and Approval Requirements. Federal banking laws also impose notice, approval and ongoing regulatory requirements on any shareholder or other party that seeks to acquire direct or "indirect" control of an FDIC-insured depository institution. These laws include the Bank Holding Company Act of 1956 and the Change in Bank Control Act.

The overall effect of these provisions may be to deter a future offer or other merger or acquisition proposals that a majority of our shareholders might view to be in their best interests as the offer might include a substantial premium over the market price of our common stock at that time. In addition, these provisions may have the effect of assisting our board of directors and our management in retaining their respective positions and placing them in a better position to resist changes that the shareholders may want to make if dissatisfied with the conduct of our business.

Indemnification

Our articles of incorporation provide that our directors and officers will be indemnified by us to the fullest extent permitted by the LBCA, against any and all expenses, liabilities or other matters while acting in his or her capacity as a director or officer. We have also agreed to advance expenses incurred by any such director or officer in connection with threatened, pending or completed proceeding to the fullest extent permitted by the LBCA. To the extent that indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons, we have been advised that, in the opinion of the SEC, this indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

Limitation of Liability

Our articles of incorporation also limit the personal liability of our directors and officers in actions brought on our behalf or on behalf of our shareholders for monetary damages as a result of a director's acts or omissions

while acting in a capacity as a director or officer, with certain exceptions. Our articles of incorporation do not eliminate or limit our right or the right of our shareholders to seek injunctive or other equitable relief not involving monetary damages.

Listing and Trading

We have applied to have our common stock approved for listing on the Nasdaq Global Select Market under the symbol “OBNK.”

Transfer Agent and Registrar

Upon the completion of this offering, the transfer agent and registrar for our common stock will be EQ Shareowner Services. The telephone number for our transfer agent is 1-800-401-1957.

SHARES ELIGIBLE FOR FUTURE SALE

Actual or anticipated issuances or sales of substantial amounts of our common stock following this offering could cause the market price of our common stock to decline significantly and make it more difficult for us to sell equity or equity-related securities in the future at a time and on terms that we deem appropriate. The issuance of any shares of our common stock in the future also would, and equity-related securities could, dilute the percentage ownership interest held by shareholders prior to such issuance.

Upon completion of this offering, we will have shares of our common stock issued and outstanding (shares if the underwriters exercise in full their purchase option). The number of issued and outstanding common shares will increase by up to shares upon the conversion of our Series D preferred stock, a material portion of which will become convertible and is expected to be converted in part, upon completion of the offering. In addition, shares of our common stock are issuable upon the exercise of outstanding stock options.

The shares of common stock sold by us in this offering will be freely tradable without further restriction or registration under the Securities Act, except that any shares purchased by our "affiliates" may generally only be resold in compliance with Rule 144 under the Securities Act, which is described below. The remaining outstanding shares will be deemed to be "restricted securities" as that term is defined in Rule 144. Restricted securities may be resold in the U.S. only if they are registered for resale under the Securities Act or an exemption from registration is available.

Lock-Up Agreements

Our executive officers and directors, and certain other shareholders, who will own in the aggregate approximately shares of our common stock after this offering and the partial conversion of our Series D preferred stock, have entered into lock-up agreements under which they have generally agreed not to sell or otherwise transfer their shares for a period of 180 days after the date of the Underwriting Agreement. For additional information, see *"Underwriting—Lock-Up Agreements."* As a result of these contractual restrictions, shares of our common stock subject to lock-up agreements will not be eligible for sale until these agreements expire or the underwriters waive or release the shares of our common stock from these restrictions.

Following the lock-up period, all of the shares of our common stock that are restricted securities or are held by our affiliates as of the date of the Underwriting Agreement will be eligible for resale in the U.S. only if they are registered for resale under the Securities Act or an exemption from registration, such as Rule 144, is available.

Rule 144

All shares of our common stock held by our "affiliates," as that term is defined in Rule 144 under the Securities Act, generally may be sold in the public market only in compliance with Rule 144. Rule 144 defines an affiliate as any person who directly or indirectly controls, or is controlled by, or is under common control with, the issuer, which generally includes our directors, executive officers, 10% shareholders and certain other related persons. Upon the completion of this offering, we expect that approximately % of our outstanding common stock (% of our outstanding common stock if the underwriters exercise in full their purchase option) will be held by "affiliates" (assuming they do not purchase any additional shares in this offering).

Under Rule 144 under the Securities Act, a person (or persons whose shares are aggregated) who is deemed to be, or to have been during the three months preceding the sale, an "affiliate" of ours would be entitled to sell within any three-month period a number of shares that does not exceed the greater of 1% of the then outstanding shares of our common stock, which would be approximately shares of our common stock immediately after this offering assuming the underwriters do not elect to exercise their purchase option, or the average weekly trading volume of our common stock on The Nasdaq Stock Market during the four calendar weeks preceding such sale. Sales under Rule 144 are also subject to a six-month holding period and requirements relating to manner of sale, the availability of current public information about us and the filing of a form in certain circumstances.

Rule 144 also provides that a person who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has for at least six months beneficially owned shares of our common

stock that are restricted securities, will be entitled to freely sell such shares of our common stock subject only to the availability of current public information regarding us. A person who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has beneficially owned for at least one year shares of our common stock that are restricted securities, will be entitled to freely sell such shares of our common stock under Rule 144 without regard to the current public information requirements of Rule 144.

Rule 701

In general, under Rule 701, any of our employees, directors, officers, consultants or advisors who purchases shares from us in connection with a compensatory stock or option plan or other written agreement before the effective date of this offering is entitled to resell such shares 90 days after the effective date of this offering in reliance on Rule 144, without having to comply with the holding period requirements or other restrictions contained in Rule 701.

The SEC has indicated that Rule 701 will apply to typical stock options granted by an issuer before it becomes subject to the reporting requirements of the Exchange Act, along with the shares acquired upon exercise of such options, including exercises after the date of this prospectus. Securities issued in reliance on Rule 701 are restricted securities and, subject to the contractual restrictions described above, beginning 90 days after the date of this prospectus, may be sold by persons other than "affiliates," as defined in Rule 144, subject only to the manner of sale provisions of Rule 144 and by "affiliates" under Rule 144 without compliance with its one-year minimum holding period requirement.

Registration Rights

Pine Brook, Castle Creek, Banc Fund VII L.P. and Banc Fund VIII L.P., which own in the aggregate 4,015,447 shares of our common stock and 901,644 shares of our Series D preferred stock, have certain registration rights with respect to their shares. See "Certain Relationships and Related Party Transactions." Registration of these shares under the Securities Act would result in these shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of the registration.

Form S-8 Registration Statement

We intend to file one or more registration statements on Form S-8 under the Securities Act to register the offer and sale of shares of our common stock that are issuable under our 2012 Plan and interests in our common stock that may be offered and sold under our KSOP. Any such registration statement would be expected to be filed and become effective as soon as practicable after the completion of this offering. Upon effectiveness, the shares of common stock covered by that registration statement will be eligible for sale in the public market, subject to any vesting restrictions with us, Rule 144 restrictions applicable to our affiliates or the lock-up restrictions described above.

SUPERVISION AND REGULATION

General

The U.S. banking industry is highly regulated under federal and state law. Consequently, our growth and earnings performance will be affected not only by management decisions and general and local economic conditions, but also by the statutes administered by, and the regulations and policies of, various governmental regulatory authorities. These authorities include the Federal Reserve, FDIC, Louisiana Office of Financial Institutions, Consumer Financial Protection Bureau, Internal Revenue Service and state taxing authorities. The effect of these statutes, regulations and policies, and any changes to such statutes, regulations and policies, can be significant and cannot be predicted.

The primary goals of the bank regulatory scheme are to maintain a safe and sound banking system, facilitate the conduct of sound monetary policy and promote fairness and transparency for financial products and services. The system of supervision and regulation applicable to us and our subsidiaries establishes a comprehensive framework for their respective operations and is intended primarily for the protection of the FDIC's Deposit Insurance Fund, the bank's depositors and the public, rather than our shareholders or creditors. The description below summarizes certain elements of the applicable bank regulatory framework. This description is not intended to describe all laws and regulations applicable to us and our subsidiaries, and the description is qualified in its entirety by reference to the full text of the statutes, regulations, policies, interpretive letters and other written guidance that are described herein.

Bank Holding Company Regulation

As a financial holding company, we are subject to regulation under the Bank Holding Company Act of 1956, as amended, and to supervision, examination and enforcement by the Federal Reserve. The Bank Holding Company Act and other federal laws subject bank holding companies to particular restrictions on the types of activities in which they may engage, and to a range of supervisory requirements and activities, including regulatory enforcement actions for violations of laws and regulations. The Federal Reserve's jurisdiction also extends to any company that we directly or indirectly control, such as any nonbank subsidiaries and other companies in which we own a controlling investment.

Financial Services Industry Reform. The Dodd-Frank Act, which was enacted in 2010, broadly affects the financial services industry by implementing changes to the financial regulatory landscape aimed at strengthening the sound operation of the financial services sector, including provisions that, among other things:

- implement the same leverage and risk-based capital requirements that apply to insured depository institutions to bank holding companies with total assets in excess of $1.00 billion;
- establish the Consumer Financial Protection Bureau to, among other things, establish and implement rules and regulations applicable to all entities offering consumer financial products or services;
- permanently increase FDIC deposit insurance maximum to $250,000 and broaden the base for FDIC insurance assessments from the amount of insured deposits to average total consolidated assets less average tangible equity during the assessment period, subject to certain adjustments;
- eliminate the upper limit for the reserve ratio designated by the FDIC each year, increase the minimum designated reserve ratio of the deposit insurance fund from 1.15% to 1.35% of the estimated amount of total insured deposits by September 30, 2020 and eliminate the requirement that the FDIC pay dividends to depository institutions when the reserve ratio exceeds certain thresholds;
- permit banks to branch across state lines if the laws of the state where the new branch is to be established would permit the establishment of the branch if it were part of a bank that was chartered by such state;

- repeal the federal prohibitions on the payment of interest on demand deposits, thereby permitting depository institutions to pay interest on business transaction and other accounts;
- require bank holding companies and banks to be “well capitalized” and “well managed” in order to acquire banks located outside of their home state and require any bank holding company electing to be treated as a financial holding company to be “well capitalized” and “well managed;”
- direct the Federal Reserve to establish limitations on interchange fees for debit cards under a “reasonable and proportional cost” per transaction standard;
- increase regulation of consumer protections regarding mortgage originations, including originator compensation, minimum repayment standards, and prepayment consideration;
- implement corporate governance revisions, including with regard to executive compensation and proxy access by shareholders; and
- increase the authority of the Federal Reserve to examine us and any nonbank subsidiaries.

Some of the requirements of the Dodd-Frank Act are still in the process of being implemented and many of its provisions are subject to regulations implemented over the course of several years. Given the uncertainty associated with the manner in which the provisions of the Dodd-Frank Act will be implemented by the various regulatory agencies and through regulations, the full extent of the impact such requirements will have on our operations is unclear. Further, the Trump administration issued an executive order on February 3, 2017, outlining a number of “Core Principles” of regulation of the industry and the U.S. Department of the Treasury has issued a series of reports identifying laws and regulations that it has determined to be inconsistent with those principles. Changes resulting from further implementation of, changes to, or repeal of the Dodd-Frank Act may impact the profitability of our business activities, require changes to certain of our business practices, impose upon us more stringent capital, liquidity and leverage requirements or otherwise adversely affect our business. These changes may also require us to invest significant management attention and resources to evaluate and make any changes necessary to comply with new statutory and regulatory requirements. Failure to comply with any new requirements may negatively impact our results of operations and financial condition.

Revised Rules on Regulatory Capital. The Federal Reserve monitors our capital adequacy at the holding company level by using a combination of risk-based guidelines and leverage ratios and considers our capital levels when taking action on various types of applications and when conducting supervisory activities. The risk-based capital standards are designed to make regulatory capital requirements more sensitive to differences in risk profiles among financial institutions and their holding companies, to account for off-balance sheet exposure, and to minimize disincentives for holding liquid assets. The regulatory capital rules applicable to us were revised, effective January 1, 2015, under the Basel III regulatory capital framework. These rules include a new common equity Tier 1 risk-based capital requirement and establish criteria that instruments must meet to be considered common equity Tier 1 capital, additional Tier 1 capital or Tier 2 capital. These enhancements are designed to both improve the quality and increase the quantity of capital required to be held by banking organizations, better equipping the U.S. banking system to cope with adverse economic conditions. Under these rules, we are required to satisfy four minimum capital standards: (1) a Tier 1 capital to average total consolidated assets ratio, or “leverage ratio,” of at least 4.0%, (2) a common equity Tier 1 capital to risk-weighted assets ratio, or “common equity Tier 1 risk-based capital ratio,” of 4.5%, (3) a Tier 1 capital to risk-weighted assets ratio, or “Tier 1 risk-based capital ratio,” of at least 6.0%, and (4) a total risk-based capital (Tier 1 plus Tier 2) to risk-weighted assets ratio, or “total risk-based capital ratio,” of at least 8.0%.

The Basel III framework also implements a requirement for all bank holding companies to maintain a capital conservation buffer above the minimum capital requirements composed solely of common equity Tier 1 capital to avoid certain restrictions on capital distributions and discretionary bonus payments to executive officers. When fully phased in, the capital conservation buffer requirement will effectively require banking organizations to maintain regulatory risk-based capital ratios at least 2.5% above the minimum risk-based capital requirements set forth above. This buffer is intended to help to ensure that banking organizations conserve capital when it is most needed, allowing them to better weather periods of economic stress. The capital conservation buffer is being

phasing in over a four year period that began in January 2016. As of January 1, 2018, the phased-in portion of the capital conservation buffer was 1.875% of risk-weighted assets, and the buffer will be fully phased in on January 1, 2019.

The revised regulatory capital rules implement stricter eligibility criteria for regulatory capital instruments that would disallow the inclusion of instruments, such as trust preferred securities (other than grandfathered trust preferred securities, such as those that we have issued), in Tier 1 capital going forward and new constraints on the inclusion of minority interests, mortgage servicing assets, deferred tax assets and certain investments in the capital of unconsolidated financial institutions. In addition, the rules require that most regulatory capital deductions be made from common equity Tier 1 capital.

These rules also set forth certain changes in the methods of calculating certain risk-weighted assets, which in turn will affect the calculation of risk-based capital ratios. Under the rules, higher or more sensitive risk weights have been assigned to various categories of assets, including, certain credit facilities that finance the acquisition, development or construction of real property, certain exposures or credits that are 90 days past due or on nonaccrual status, foreign exposures and certain corporate exposures. In addition, these rules include greater recognition of collateral and guarantees, and revised capital treatment for derivatives and repo-style transactions.

These capital requirements are minimum requirements. The Federal Reserve may also set higher capital requirements if warranted by our risk profile, economic conditions impacting our market or other circumstances particular to our organization. For example, holding companies experiencing internal growth or making acquisitions are expected to maintain strong capital positions substantially above the minimum supervisory levels, without significant reliance on intangible assets. Failure to meet capital guidelines could subject us to a variety of enforcement remedies, including issuance of a capital directive or restrictions on our operations and expansionary activities.

Imposition of Liability for Undercapitalized Subsidiaries. Federal banking regulations require FDIC-insured banks that become undercapitalized to submit a capital restoration plan. The capital restoration plan of a bank controlled by a bank holding company will not be accepted by the regulators unless each company having control of the undercapitalized institution guarantees the subsidiary's compliance with the capital restoration plan up to a certain specified amount. Any such guarantee from a bank holding company is entitled to a priority of payment in bankruptcy.

The aggregate liability of the holding company of an undercapitalized bank in such a guarantee is limited to the lesser of five percent of the bank's assets at the time it became undercapitalized or the amount necessary to cause the institution to be adequately capitalized. The bank regulators have greater power in situations where a bank becomes significantly or critically undercapitalized or fails to submit a capital restoration plan. For example, a bank holding company controlling such a bank can be required to obtain prior Federal Reserve approval of proposed dividends, or might be required to divest the bank or other affiliates.

Acquisitions by Bank Holding Companies. We must obtain the prior approval of the Federal Reserve before (1) acquiring more than five percent of the voting stock of any bank or other bank holding company, (2) acquiring all or substantially all of the assets of any bank or bank holding company, or (3) merging or consolidating with any other bank holding company. In evaluating applications with respect to these transactions, the Federal Reserve is required to consider, among other things, the effect of the acquisition on competition, the financial condition, managerial resources and future prospects of the bank holding company and the banks concerned, the convenience and needs of the communities to be served (including the record of performance under the Community Reinvestment Act), the effectiveness of the applicant in combating money laundering activities and the extent to which the proposed acquisition would result in greater or more concentrated risks to the stability of the U.S. banking or financial system. The Federal Reserve can deny an application based on the above criteria or other considerations. In addition, as a condition to receiving regulatory approval, the Federal Reserve can impose conditions on the acquirer or the business to be acquired, which may not be acceptable or, if acceptable, may reduce the benefit of a proposed acquisition.

Control Acquisitions. Subject to various exceptions, the Bank Holding Company Act and the Change in Bank Control Act, together with related regulations, require Federal Reserve approval or non-objection prior to any

person or company acquiring “control” of a bank holding company. Although “control” is based on all of the facts and circumstances surrounding the investment, control is conclusively presumed to exist if a person or company acquires 25% of more of any class of voting securities of the bank holding company. Control of a bank holding company is rebuttably presumed to exist under the Change in Bank Control Act if the acquiring person or entity will own 10% or more of any class of voting securities immediately following the transaction and either no other person will hold a greater percentage of that class of voting securities after the acquisition or the bank holding company has publicly registered securities.

Regulatory Restrictions on Dividends; Source of Strength. As a financial holding company, we are subject to certain restrictions on dividends under applicable banking laws and regulations. The Federal Reserve has issued a supervisory letter that provides that a bank holding company should not pay dividends unless: (1) its net income over the last four quarters (net of dividends paid) has been sufficient to fully fund the dividends; (2) the prospective rate of earnings retention is consistent with the capital needs, asset quality and overall financial condition of the bank holding company; and (3) the bank holding company will continue to meet, and is not in danger of failing to meet, minimum regulatory capital adequacy ratios. Failure to comply with the supervisory letter could result in a supervisory finding that the bank holding company is operating in an unsafe and unsound manner. In addition, our ability to pay dividends may also be limited as a result of the capital conservation buffer under the Basel III regulatory capital framework. In the current financial and economic environment, the Federal Reserve Board has indicated that bank holding companies should carefully review their dividend policy and has discouraged payment ratios that are at maximum allowable levels unless both asset quality and capital are very strong. The Federal Reserve may further restrict the payment of dividends by engaging in supervisory action to restrict dividends or by requiring us to maintain a higher level of capital then would otherwise be required under the Basel III minimum capital requirements.

Under longstanding Federal Reserve policy which has been codified by the Dodd-Frank Act, we are expected to act as a source of financial strength to, and to commit resources to support, Origin Bank. This support may be required at times when we may not be inclined to provide it. In addition, any capital loans that we make to Origin Bank are subordinate in right of payment to deposits and to certain other indebtedness of Origin Bank. As discussed above, in certain circumstances, we could also be required to guarantee the capital restoration plan of Origin Bank, if it became undercapitalized for purposes of the Federal Reserve’s prompt corrective action regulations. In the event of our bankruptcy, any commitment by us to a federal bank regulatory agency to maintain the capital of Origin Bank under a capital restoration plan would be assumed by the bankruptcy trustee and entitled to a priority of payment.

Scope of Permissible Activities. In general, the Bank Holding Company Act limits the activities permissible for bank holding companies to the business of banking, managing or controlling banks and such other activities as the Federal Reserve has determined to be so closely related to banking as to be properly incident thereto. Permissible activities for a bank holding company include, among others, operating a mortgage, finance, credit card or factoring company; performing certain data processing operations; providing investment and financial advice; acting as an insurance agent for certain types of credit-related insurance; leasing personal property on a full-payout, nonoperating basis; and providing certain stock brokerage services. A bank holding company may also make an investment of up to five percent of any class of voting securities of any company that is otherwise a non-controlling investment.

If a bank holding company has elected to become a financial holding company, it may engage in activities that are (1) financial in nature or incidental to such financial activity or (2) complementary to a financial activity and which do not pose a substantial risk to the safety and soundness of a depository institution or to the financial system generally. These activities include securities dealing, underwriting and market making, insurance underwriting and agency activities, merchant banking and insurance company portfolio investments. Expanded financial activities of financial holding companies generally will be regulated according to the type of such financial activity: banking activities by banking regulators, securities activities by securities regulators and insurance activities by insurance regulators. A bank holding company may elect to be treated as a financial holding company if all of its depository institution subsidiaries are “well capitalized” and “well managed,” and have received a rating of not less than Satisfactory on each such institution’s most recent examination under the Community Reinvestment Act. We have

made a financial holding company election and currently engage in our insurance agency activities through the broader authority available to financial holding companies.

If we fail to continue to meet any of the requirements for financial holding company status, we may be required to enter into an agreement with the Federal Reserve to comply with all applicable capital and management requirements within a certain period of time or lose our financial holding company designation, which could also result in a requirement to divest of any businesses for which a financial holding company election was required. In addition, the Federal Reserve may place limitations on our ability to conduct the broader financial activities permissible for financial holding companies during any period of noncompliance.

Volcker Rule. Section 13 of the Bank Holding Company Act, commonly known as the "Volcker Rule," generally prohibits insured depository institutions and their affiliates from sponsoring or acquiring an ownership interest in certain investment funds, including hedge funds and private equity funds. The Volcker Rule also places restrictions on proprietary trading, which could impact certain hedging activities.

Safe and Sound Banking Practices. Bank holding companies are not permitted to engage in unsafe and unsound banking practices. For example, the Federal Reserve's Regulation Y generally requires a bank holding company to provide the Federal Reserve with prior notice of any redemption or repurchase of its own equity securities, if the consideration to be paid, together with the consideration paid for any repurchases or redemptions in the preceding year, is equal to 10.0% or more of the bank holding company's consolidated net worth. The Federal Reserve may oppose the transaction if it believes that the transaction would constitute an unsafe or unsound practice or would violate any law or regulation. In certain circumstances, the Federal Reserve could take the position that paying a dividend would constitute an unsafe or unsound banking practice. The Federal Reserve has broad authority to prohibit activities of bank holding companies and their nonbanking subsidiaries which represent unsafe and unsound banking practices, result in breaches of fiduciary duty or which constitute violations of laws or regulations, and can assess civil money penalties or impose enforcement action for such activities.

Bank Regulation

Origin Bank is a commercial bank chartered under the laws of the State of Louisiana and is a member of the Federal Reserve System. In addition, its deposits are insured by the FDIC to the maximum extent permitted by law. As a result, Origin Bank is subject to extensive regulation, supervision and examination by the Louisiana Office of Financial Institutions and the Federal Reserve. As an insured depository institution, the bank is subject to regulation by the FDIC, although the Federal Reserve is the bank's primary federal regulator. Finally, Origin Bank is also subject to secondary oversight by state banking authorities in other states in which it maintains banking offices. The bank regulatory agencies have the power to enforce compliance with applicable banking laws and regulations. These requirements and restrictions include requirements to maintain reserves against deposits, restrictions on the nature and amount of loans that may be made and the interest that may be charged thereon and restrictions relating to investments and other activities of Origin Bank.

Capital Adequacy Requirements. The Federal Reserve and Louisiana Office of Financial Institutions monitor the capital adequacy of Origin Bank by using a combination of risk-based guidelines and leverage ratios similar to those applied at the holding company level. These agencies consider the bank's capital levels when taking action on various types of applications and when conducting supervisory activities related to the safety and soundness of the bank and the banking system. Under the revised capital rules which became effective on January 1, 2015, Origin Bank is required to maintain four minimum capital standards: (1) a leverage ratio of at least 4.0%, (2) a common equity Tier 1 risk-based capital ratio of 4.5%, (3) a Tier 1 risk-based capital ratio of at least 6.0%, and (4) a total risk-based capital ratio of at least 8.0%.

The Basel III framework also implements a requirement for all FDIC-insured banks to maintain a capital conservation buffer above the minimum capital requirements to avoid certain restrictions on capital distributions and discretionary bonus payments to executive officers. The capital conservation buffer must be composed solely of common equity Tier 1 capital. When fully phased in on January 1, 2019, the capital conservation buffer requirement will effectively require banking organizations to maintain regulatory risk-based capital ratios at least 2.5% above the minimum risk-based capital requirements set forth above.

These capital requirements are minimum requirements. The Federal Reserve or Louisiana Office of Financial Institutions may also set higher capital requirements if warranted by the risk profile of Origin Bank, economic conditions impacting its markets or other circumstances particular to the bank. For example, Federal Reserve guidance provides that higher capital may be required to take adequate account of, among other things, interest rate risk and the risks posed by concentrations of credit, nontraditional activities or securities trading activities. In addition, the Federal Reserve's prompt corrective action regulations discussed below, in effect, increase the minimum regulatory capital ratios for banking organizations. Failure to meet capital guidelines could subject Origin Bank to a variety of enforcement remedies, including issuance of a capital directive, restrictions on business activities and other measures under the Federal Reserve's prompt corrective action regulations.

Corrective Measures for Capital Deficiencies. The federal banking regulators are required by the Federal Deposit Insurance Act to take "prompt corrective action" with respect to capital-deficient banks that are FDIC-insured. For this purpose, a bank is placed in one of the following five capital tiers: "well capitalized," "adequately capitalized," "undercapitalized," "significantly undercapitalized" and "critically undercapitalized." The bank's capital tier depends upon how its capital levels compare with various relevant capital measures and certain other factors, as established by regulation.

To be well capitalized, a bank must have a total risk-based capital ratio of at least 10.0%, a Tier 1 risk-based capital ratio of at least 8.0%, a common equity Tier 1 risk-based capital ratio of at least 6.5%, and a leverage ratio of at least 5.0%, and must not be subject to any written agreement, order or directive requiring it to maintain a specific capital level for any capital measure. At December 31, 2017, Origin Bank met the requirements to be categorized as well capitalized under the prompt corrective action framework currently in effect.

As a bank's capital decreases, the enforcement authority of its regulators becomes more severe. Banks that are adequately, but not well, capitalized may not accept, renew or rollover brokered deposits except with a waiver from the FDIC and are subject to restrictions on the interest rates that can be paid on its deposits. The Federal Reserve's prompt corrective action regulations also generally prohibit a bank from making any capital distributions (including payment of a dividend) or paying any management fee to its parent holding company if the bank would thereafter be undercapitalized. Undercapitalized banks are also subject to growth limitations, may not accept, renew or rollover brokered deposits, and are required to submit a capital restoration plan. The Federal Reserve may not accept such a plan without determining, among other things, that the plan is based on realistic assumptions and is likely to succeed in restoring the bank's capital. Significantly undercapitalized banks may be subject to a number of requirements and restrictions, including orders to sell sufficient shares or obligations to become adequately capitalized, limitations on asset growth, and cessation of receipt of deposits from correspondent banks. Generally, subject to a narrow exception, the FDIC must appoint a receiver or conservator for an institution that is critically undercapitalized. The capital classification of a bank also affects the bank's ability to engage in certain activities and the deposit insurance premiums paid by the bank.

Bank Mergers. Section 18(c) of the Federal Deposit Insurance Act, known as the "Bank Merger Act," requires the written approval of a bank's primary federal regulator before the bank may (1) acquire through merger or consolidation, (2) purchase or otherwise acquire the assets of, or (3) assume the deposit liabilities of, another bank. The Bank Merger Act prohibits the reviewing agency from approving any proposed merger transaction that would result in a monopoly, or would further a combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Similarly, the Bank Merger Act prohibits the reviewing agency from approving a proposed merger transaction the effect of which in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade. An exception may be made in the case of a merger transaction the effect of which would be to substantially lessen competition, tend to create a monopoly, or otherwise restrain trade, if the reviewing agency finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

In every proposed merger transaction, the reviewing agency must also consider the financial and managerial resources and future prospects of the existing and proposed institutions, the convenience and needs of the community to be served, and the effectiveness of each insured depository institution involved in the proposed merger transaction in combating money-laundering activities.

Branching. Under Louisiana law, Origin Bank is permitted to establish additional branch offices within Louisiana, subject to the approval of the Louisiana Office of Financial Institutions. As a result of the Dodd-Frank Act, the bank may also establish additional branch offices outside of Louisiana, subject to prior regulatory approval, so long as the laws of the state where the branch is to be located would permit a state bank chartered in that state to establish a branch. Any new branch, whether located inside or outside of Louisiana, must also be approved by the Federal Reserve, as the bank's primary federal regulator. Origin Bank may also establish offices in other states by merging with banks or by purchasing branches of other banks in other states, subject to certain restrictions.

Restrictions on Transactions with Affiliates and Insiders. Federal law strictly limits the ability of banks to engage in transactions with their affiliates, including their bank holding companies. Sections 23A and 23B of the Federal Reserve Act, and Federal Reserve Regulation W, impose quantitative limits, qualitative standards, and collateral requirements on certain transactions by a bank with, or for the benefit of, its affiliates. Generally, Sections 23A and 23B (1) limit the extent to which the bank or its subsidiaries may engage in "covered transactions" with any one affiliate to an amount equal to 10% of the bank's capital stock and surplus, and limit the aggregate of all such transactions with all affiliates to an amount equal to 20% of its capital stock and surplus, and (2) require that all such transactions be on terms substantially the same, or at least as favorable, to the bank or subsidiary as those that would be provided to a non-affiliate. The term "covered transaction" includes the making of loans to an affiliate, purchase of assets from an affiliate, issuance of a guarantee on behalf of an affiliate and several other types of transactions.

The Dodd-Frank Act expanded the coverage and scope of the limitations on affiliate transactions within a banking organization, including an expansion of what types of transactions are covered transactions to include credit exposures related to derivatives, repurchase agreements and securities lending arrangements and an increase in the amount of time for which collateral requirements regarding covered transactions must be satisfied.

Federal law also limits a bank's authority to extend credit to its directors, executive officers and 10% shareholders, as well as to entities controlled by such persons. Among other things, extensions of credit to insiders are required to be made on terms that are substantially the same as, and follow credit underwriting procedures that are not less stringent than, those prevailing for comparable transactions with unaffiliated persons. Also, the terms of such extensions of credit may not involve more than the normal risk of repayment or present other unfavorable features and may not exceed certain limitations on the amount of credit extended to such persons, individually and in the aggregate, which limits are based, in part, on the amount of the bank's capital. Loans to senior executive officers of a bank are subject to additional restrictions. Insiders may be subject to enforcement actions for accepting loans in violation of applicable restrictions.

Regulatory Restrictions on Dividends. Origin Bank is subject to certain restrictions on dividends under federal and state laws, regulations and policies. In general, Origin Bank may pay dividends to us without the approval of the Louisiana Office of Financial Institutions so long as the amount of the dividend does not exceed the bank's net profits earned during the current year combined with its retained net profits of the immediately preceding year. The bank is required to obtain the approval of the Louisiana Office of Financial Institutions for any amount in excess of this threshold. In addition, under federal law, Origin Bank may not pay any dividend to us if it is undercapitalized or the payment of the dividend would cause it to become undercapitalized. The Federal Reserve may further restrict the payment of dividends by engaging in supervisory action to restrict dividends or by requiring the bank to maintain a higher level of capital than would otherwise be required to be adequately capitalized for regulatory purposes. Under the Basel III regulatory capital framework, the failure to maintain an adequate capital conservation buffer, as discussed above, may also result in dividend restrictions. Moreover, if, in the opinion of the Federal Reserve, Origin Bank is engaged in an unsound practice (which could include the payment of dividends), the Federal Reserve may require, generally after notice and hearing, the bank to cease such practice. The Federal Reserve has indicated that paying dividends that deplete a depository institution's capital base to an inadequate level would be an unsafe banking practice. The Federal Reserve has also issued guidance providing that a bank generally should pay dividends only when (1) the bank's net income available to common shareholders over the past year has been sufficient to fully fund the dividends and (2) the prospective rate of earnings retention appears consistent with the bank's capital needs, asset quality, and overall financial condition.

Incentive Compensation Guidance. The federal banking agencies have issued comprehensive guidance on incentive compensation policies intended to ensure that the incentive compensation policies of banking

organizations do not undermine the safety and soundness of those organizations by encouraging excessive risk-taking. The incentive compensation guidance sets expectations for banking organizations concerning their incentive compensation arrangements and related risk management, control and governance processes. The incentive compensation guidance, which covers all employees that have the ability to materially affect the risk profile of an organization, either individually or as part of a group, is based upon three primary principles: (1) balanced risk-taking incentives, (2) compatibility with effective controls and risk management and (3) strong corporate governance. Any deficiencies in compensation practices that are identified may be incorporated into the organization's supervisory ratings, which can affect its ability to make acquisitions or take other actions. In addition, under the incentive compensation guidance, a banking organization's federal supervisor may initiate enforcement action if the organization's incentive compensation arrangements pose a risk to the safety and soundness of the organization. Further, the capital conservation buffer described above would limit discretionary bonus payments to bank executives if the institution's regulatory capital ratios failed to exceed certain thresholds. The scope and content of the U.S. banking regulators' policies on executive compensation are continuing to develop and evolve.

Deposit Insurance Assessments. FDIC-insured banks are required to pay deposit insurance assessments to the FDIC. The amount of the assessment is based on the size of the bank's assessment base, which is equal to its average consolidated total assets less its average tangible equity, and its risk classification under an FDIC risk-based assessment system. Institutions assigned to higher risk classifications (that is, institutions that pose a higher risk of loss to the Deposit Insurance Fund) pay assessments at higher rates than institutions that pose a lower risk. An institution's risk classification is assigned based on its capital levels and the level of supervisory concern that the institution poses to the regulators. At least semi-annually, the FDIC updates its loss and income projections for the Deposit Insurance Fund and, if needed, will increase or decrease assessment rates, following notice-and-comment rulemaking, if required. The FDIC can also impose special assessments in certain instances. If there are additional bank or financial institution failures or if the FDIC otherwise determines to increase assessment rates, Origin Bank may be required to pay higher FDIC insurance premiums.

In addition, all FDIC-insured institutions are required to pay assessments to the FDIC to fund interest payments on bonds issued by the Financing Corporation, an agency of the federal government established to recapitalize the predecessor to the Deposit Insurance Fund. These assessments will continue until the bonds mature between now and 2019.

Community Reinvestment Act. The Community Reinvestment Act, or CRA, and the related regulations are intended to encourage banks to help meet the credit needs of their entire assessment area, including low and moderate income neighborhoods, consistent with the safe and sound operations of such banks. These regulations also provide for regulatory assessment of a bank's CRA performance record when considering applications to establish branches, merger applications and applications to acquire the assets and assume the liabilities of another bank. The CRA requires federal banking agencies to make public their ratings of banks' performance under the CRA. In the case of a bank holding company transaction, the CRA performance record of the subsidiary banks of the bank holding companies involved in the transaction are reviewed in connection with the filing of an application to acquire ownership or control of shares or assets of a bank or to merge with any other bank holding company. An unsatisfactory CRA record could substantially delay approval or result in denial of an application. In addition, a financial holding company may face limitations on activities and acquisitions if its subsidiary depository institutions do not have a least a Satisfactory rating. Origin Bank received a Satisfactory rating in its most recent CRA examination.

Financial Modernization. Under the Gramm-Leach-Bliley Act, banks may establish financial subsidiaries to engage, subject to limitations on investment, in activities that are financial in nature, other than insurance underwriting as principal, insurance company portfolio investment, real estate development, real estate investment, annuity issuance and merchant banking activities. To do so, a bank must be well capitalized, well managed and have a CRA rating from its primary federal regulator of Satisfactory or better. Subsidiary banks of financial holding companies or banks with financial subsidiaries must remain well capitalized and well managed in order to continue to engage in activities that are financial in nature without regulatory actions or restrictions. Such actions or restrictions could include divestiture of the financial subsidiary or subsidiaries. In addition, a financial holding

company or a bank may not acquire a company that is engaged in activities that are financial in nature unless each of the subsidiary banks of the financial holding company or the bank has a CRA rating of Satisfactory of better.

Concentrated Commercial Real Estate Lending Regulations. The federal banking regulatory agencies have promulgated guidance governing financial institutions with concentrations in commercial real estate lending. The guidance provides that a bank may have a concentration in commercial real estate lending if (1) total reported loans for construction, land development, and other land represent 100.0% or more of total capital or (2) total commercial real estate loans represent 300.0% or more of the bank's total capital and the outstanding balance of the bank's commercial real estate loan portfolio has increased 50% or more during the prior 36 months. If a concentration is present, the bank will be subject to further regulatory scrutiny with respect to its risk management practices for commercial real estate lending. At December 31, 2017, Origin Bank's total reported loans for construction, land development, and other land represented less than 100% of the bank's total capital, and its total commercial real estate loans represented less than 300% of the bank's total capital.

Consumer Laws and Regulations. Origin Bank is subject to numerous laws and regulations intended to protect consumers in transactions with the bank. These laws include, among others, laws regarding unfair, deceptive and abusive acts and practices, state usury laws and federal consumer protection statutes. These federal laws include the Electronic Fund Transfer Act, the Equal Credit Opportunity Act, the Fair Credit Reporting Act, the Fair Debt Collection Practices Act, the Real Estate Procedures Act of 1974, the S.A.F.E. Mortgage Licensing Act of 2008, the Truth in Lending Act and the Truth in Savings Act, among others. Many states and local jurisdictions have consumer protection laws analogous, and in addition, to those enacted under federal law. These laws and regulations mandate certain disclosure requirements and regulate the manner in which financial institutions must deal with customers when taking deposits, making loans and conducting other types of transactions. Failure to comply with these laws and regulations could give rise to regulatory sanctions, customer rescission rights, action by state and local attorneys general and civil or criminal liability.

In addition, the Dodd-Frank Act created the Consumer Financial Protection Bureau, which has broad authority to regulate the offering and provision of consumer financial products. The Bureau has authority to promulgate regulations, issue orders, guidance, interpretations and policy statements, conduct examinations and bring enforcement actions with regard to consumer financial products and services. In general, banks with assets of $10 billion or less, such as Origin Bank, will continue to be examined for consumer compliance, and subject to enforcement actions, by their primary federal regulator. However, the Bureau may participate in examinations of these smaller institutions on a "sampling basis" and may refer potential enforcement actions against such institutions to their primary federal regulators. In addition, the Dodd-Frank Act permits states to adopt consumer protection laws and regulations that are stricter than those regulations promulgated by the Bureau, and state attorneys general are permitted to enforce certain consumer protection rules adopted by the Bureau against certain institutions.

Mortgage Lending Rules. The Dodd-Frank Act authorized the Consumer Financial Protection Bureau to establish certain minimum standards for the origination of residential mortgages, including a determination of the borrower's ability to repay. Under the Dodd-Frank Act, financial institutions may not make a residential mortgage loan unless they make a "reasonable and good faith determination" that the consumer has a "reasonable ability" to repay the loan. The Dodd-Frank Act allows borrowers to raise certain defenses to foreclosure but provides a presumption or rebuttable presumption of compliance for loans that are "qualified mortgages." The Bureau has also issued regulations that, among other things, specify the types of income and assets that may be considered in the ability-to-repay determination, the permissible sources for income verification, and the required methods of calculating the loan's monthly payments. These regulations extend the requirement that creditors verify and document a borrower's income and assets to include a requirement to verify all information that creditors rely on in determining repayment ability. The rules also define "qualified mortgages" based on adherence to certain underwriting standards - for example, a borrower's debt-to-income ratio may not exceed 43.0% - and certain restrictions on loan terms. Points and fees are subject to a relatively stringent cap, and the terms include a wide array of payments that may be made in the course of closing a loan. Certain loans, including interest-only loans and negative amortization loans, cannot be qualified mortgages. Also, the Dodd-Frank Act and the Bureau's final rule on loan originator compensation prohibit certain compensation payments to loan originators and the steering of consumers to loans not in their interest, particularly if the loans will result in greater compensation for a loan

originator. The Dodd-Frank Act and the Bureau's implementing regulations also impose additional disclosure requirements with respect to the origination and sale of residential mortgages.

Anti-Money Laundering and OFAC. Under federal law, financial institutions are required to maintain anti-money laundering programs that include established internal policies, procedures and controls; a designated compliance officer; an ongoing employee training program; and testing of the program by an independent audit function. Financial institutions are also prohibited from entering into specified financial transactions and account relationships and must meet enhanced standards for due diligence and customer identification especially in their dealings with foreign financial institutions and foreign customers. Financial institutions must take reasonable steps to conduct enhanced scrutiny of account relationships to guard against money laundering and to report any suspicious transactions, and law enforcement authorities have been granted increased access to financial information maintained by financial institutions. Regulations designed to clarify and strengthen the due diligence requirements for banks with regard to their customers were issued effective in July 2016, with a compliance date of not later than May 11, 2018.

The Office of Foreign Assets Control, or OFAC, administers laws and Executive Orders that prohibit U.S. entities from engaging in transactions with certain prohibited parties. OFAC publishes lists of persons and organizations suspected of aiding, harboring or engaging in terrorist acts, known as Specially Designated Nationals and Blocked Persons. Generally, if a bank identifies a transaction, account or wire transfer relating to a person or entity on an OFAC list, it must freeze the account or block the transaction, file a suspicious activity report and notify the appropriate authorities.

Bank regulators routinely examine institutions for compliance with these obligations and they must consider an institution's compliance in connection with the regulatory review of applications, including applications for bank mergers and acquisitions. Failure of a financial institution to maintain and implement adequate programs to combat money laundering and terrorist financing and comply with OFAC sanctions, or to comply with relevant laws and regulations, could have serious legal, reputational and financial consequences for the institution.

Privacy. Federal law and regulations limit the ability of banks and other financial institutions to disclose non-public information about consumers to non-affiliated third parties. These limitations require disclosure of privacy policies to consumers and, in some circumstances, allow consumers to prevent disclosure of certain personal information to a non-affiliated third party. These regulations affect how consumer information is transmitted through financial services companies and conveyed to outside vendors. In addition, consumers may also prevent disclosure of certain information among affiliated companies that is assembled or used to determine eligibility for a product or service, such as that shown on consumer credit reports and asset and income information from applications. Consumers also have the option to direct banks and other financial institutions not to share information about transactions and experiences with affiliated companies for the purpose of marketing products or services. In addition to applicable federal privacy regulations, Origin Bank is subject to certain state privacy laws.

Federal Home Loan Bank System. Origin Bank is a member of the Federal Home Loan Bank of Dallas, which is one of the 11 regional Federal Home Loan Banks composing the Federal Home Loan Bank system. The Federal Home Loan Banks make loans to their member banks in accordance with policies and procedures established by the Federal Home Loan Bank system and the boards of directors of each regional Federal Home Loan Bank. Any advances from a Federal Home Loan Bank must be secured by specified types of collateral, and all long-term advances may be obtained only for the purpose of providing funds for residential housing finance. As a member of the Federal Home Loan Bank of Dallas, Origin Bank is required to acquire and hold shares of capital stock in the Federal Home Loan Bank of Dallas. All loans, advances and other extensions of credit made by the Federal Home Loan Bank of Dallas to Origin Bank are secured by a portion of the respective mortgage loan portfolio, certain other investments and the capital stock of the Federal Home Loan Bank of Dallas held by Origin Bank.

Enforcement Powers. The bank regulatory agencies have broad enforcement powers, including the power to terminate deposit insurance and impose substantial fines and other civil and criminal penalties. Failure to comply with applicable laws, regulations and supervisory agreements, breaches of fiduciary duty or the maintenance of unsafe and unsound conditions or practices could subject us or our subsidiaries, including Origin Bank, as well as

their respective officers, directors, and other institution-affiliated parties, to administrative sanctions and potentially substantial civil money penalties.

FDIC Conservatorship or Receivership. The bank regulatory agencies may appoint the FDIC as conservator or receiver for a bank (or the FDIC may appoint itself, under certain circumstances) if any one or more of a number of circumstances exist, including, without limitation, the fact that the bank is undercapitalized and has no reasonable prospect of becoming adequately capitalized, fails to become adequately capitalized when required to do so, fails to submit a timely and acceptable capital restoration plan or materially fails to implement an accepted capital restoration plan.

Effect of Governmental Monetary Policies

The commercial banking business is affected not only by general economic conditions but also by U.S. fiscal policy and the monetary policies of the Federal Reserve. Some of the instruments of monetary policy available to the Federal Reserve include changes in the discount rate on member bank borrowings, the fluctuating availability of borrowings at the "discount window," open market operations, the imposition of and changes in reserve requirements against member banks' deposits and certain borrowings by banks and their affiliates and assets of foreign branches. These policies influence to a significant extent the overall growth of bank loans, investments, and deposits and the interest rates charged on loans or paid on deposits. We cannot predict the nature of future fiscal and monetary policies or the effect of these policies on our operations and activities, financial condition, results of operations, growth plans or future prospects.

Impact of Current Laws and Regulations

The cumulative effect of these laws and regulations, while providing certain benefits, adds significantly to the cost of our operations and thus has a negative impact on our profitability. There has also been a notable expansion in recent years of financial service providers that are not subject to the examination, oversight, and other rules and regulations to which we are subject. Those providers, because they are not so highly regulated, may have a competitive advantage over us and may continue to draw large amounts of funds away from traditional banking institutions, with a continuing adverse effect on the banking industry in general.

Future Legislation and Regulatory Reform

In light of current conditions and the market outlook for continuing weak economic conditions, regulators have increased their focus on the regulation of financial institutions. From time to time, various legislative and regulatory initiatives are introduced in Congress and state legislatures. New regulations and statutes are regularly proposed that contain wide-ranging proposals for altering the structures, regulations and competitive relationships of financial institutions operating in the United States. We cannot predict whether or in what form any proposed regulation or statute will be adopted or the extent to which our business may be affected by any new regulation or statute. Future legislation, regulation and policies, and the effects of that legislation and regulation and those policies, may have a significant influence on our operations and activities, financial condition, results of operations, growth plans or future prospects and the overall growth and distribution of loans, investments and deposits. Such legislation, regulation and policies have had a significant effect on the operations and activities, financial condition, results of operations, growth plans and future prospects of commercial banks in the past and are expected to continue to do so.

CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES FOR NON-U.S. HOLDERS OF COMMON STOCK

The following is a general discussion of the material U.S. federal income tax consequences of the ownership and disposition of our common stock by a non-U.S. holder (as defined below) that purchases our common stock in this offering and holds such common stock as a capital asset (generally, property held for investment). This discussion is based on currently existing provisions of the Internal Revenue Code of 1986, as amended, applicable U.S. Treasury regulations promulgated thereunder, judicial decisions, and rulings and pronouncements of the Internal Revenue Service, all as in effect on the date hereof and all of which are subject to change, possibly with retroactive effect, or subject to different interpretation. We have not sought any ruling from the Internal Revenue Service with respect to the statements made and conclusions reached in the following discussion, and we cannot assure you that the Internal Revenue Service will agree with such statements and conclusions.

This section does not consider state, local, estate or foreign tax consequences, nor does it address tax consequences to special classes of investors including, but not limited to, tax-exempt organizations, insurance companies, investment funds, banks or other financial institutions, dealers or brokers in securities, persons subject to the alternative minimum tax, corporations that accumulate earnings to avoid U.S. federal income tax, certain U.S. expatriates, pension plans, foreign governments, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, persons who have acquired our common stock as compensation or otherwise in connection with the performance of services, or persons that will hold our common stock as a position in a hedging transaction, “straddle,” “conversion transaction” or other risk reduction transaction. Tax consequences may vary depending upon the particular status of an investor. The summary is limited to non-U.S. holders who will hold our common stock as “capital assets” (generally, property held for investment). Each potential investor should consult its own tax advisor as to the United States federal, state, local, foreign and any other tax consequences of the purchase, ownership and disposition of our common stock.

You are a non-U.S. holder if you are a beneficial owner of our common stock for United States federal income tax purposes that is (1) a nonresident alien individual; (2) a corporation (or other entity that is taxable as a corporation) not created or organized in the United States or under the laws of the United States or of any State (or the District of Columbia); (3) an estate or a trust that, in each case, is not subject to United States federal income tax on a net income basis on income or gain from our shares.

If an entity or arrangement treated as a partnership for United States federal income tax purposes holds our common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. If you are treated as a partner in such an entity holding our common stock, you should consult your tax advisor as to the United States federal income tax consequences applicable to you.

Distributions

Distributions with respect to our common stock will be treated as dividends when paid to the extent of our current or accumulated earnings and profits as determined for United States federal income tax purposes. Except as described below, if you are a non-U.S. holder of our shares, dividends paid to you are subject to withholding of United States federal income tax at a 30% rate or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate. Even if you are eligible for a lower treaty rate, we and other payors will generally be required to withhold at a 30% rate (rather than the lower treaty rate) on dividends paid to you, unless you have furnished to us or another payor:

- A valid Internal Revenue Service Form W-8BEN or Form W-8BEN-E (or other applicable form) prior to payment of the dividend upon which you certify, under penalties of perjury, your status as a non-United States person and your entitlement to the lower treaty rate with respect to such payments, or
- In the case of payments made outside the United States to an offshore account (generally, an account maintained by you at an office or branch of a bank or other financial institution at any location outside

the United States), other documentary evidence establishing your entitlement to the lower treaty rate in accordance with United States Treasury regulations.

If you are eligible for a reduced rate of U.S. withholding tax under a tax treaty, you may obtain a refund of any amounts withheld in excess of that rate by timely filing a refund claim with the Internal Revenue Service.

If dividends paid to you are "effectively connected" with your conduct of a trade or business within the United States, and, if required by a tax treaty, the dividends are attributable to a permanent establishment that you maintain in the United States, we and other payors generally are not required to withhold tax from the dividends, provided that you have furnished to us or another payor a valid Internal Revenue Service Form W-8ECI or an acceptable substitute form upon which you represent, under penalties of perjury, that:

- You are a non-United States person, and
- The dividends are effectively connected with your conduct of a trade or business within the United States (and, if an applicable income tax treaty so provides, attributable to a permanent establishment or fixed base maintained in the United States) and are includible in your gross income.

"Effectively connected" dividends are taxed at rates applicable to United States citizens, resident aliens and domestic United States corporations. If you are a corporate non-U.S. holder, "effectively connected" dividends that you receive may, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate or at a lower rate if you are eligible for the benefits of an income tax treaty that provides for a lower rate.

To the extent a distribution with respect to our common stock exceeds our current or accumulated earnings and profits, as determined under United States federal income tax principles, the distribution will be treated, first, as a tax-free return of the non-U.S. holder's investment, up to the holder's adjusted tax basis in its shares of our common stock, and, thereafter, as capital gain, which is subject to the tax treatment described below in "-Sale, Exchange or Other Taxable Disposition."

Sale, Exchange or Other Taxable Disposition

Subject to the discussion below regarding backup withholding and the Foreign Account Tax Compliance Act, you generally will not be required to pay U.S. federal income tax on any gain realized upon the sale or other disposition of our common stock unless:

- the gain is effectively connected with your conduct of a U.S. trade or business (and, if an income tax treaty applies, the gain is attributable to a permanent establishment or a fixed base maintained by you in the United States);
- you are an individual who is present in the United States for a period or periods aggregating 183 days or more during the calendar year in which the sale or disposition occurs and certain other conditions are met; or
- our common stock constitutes a U.S. real property interest by reason of our status as a "United States real property holding corporation," or USRPHC, for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding your disposition of, or your holding period for, our common stock.

We believe that we are not currently and will not become a USRPHC. However, because the determination of whether we are a USRPHC depends on the fair market value of our U.S. real property relative to the fair market value of our other business assets, we cannot assure you that we will not become a USRPHC in the future. Even if we become a USRPHC, however, as long as our common stock is regularly traded on an established securities market, such common stock will be treated as U.S. real property interests only if you actually or constructively hold more than 5% of such regularly traded common stock at any time during the shorter of the five-year period preceding your disposition of, or your holding period for, our common stock.

If you are a non-U.S. holder described in the first bullet above, you will be required to pay tax on the net gain derived from the sale under regular graduated U.S. federal income tax rates, and a corporate non-U.S. holder described in the first bullet above also may be subject to the branch profits tax at a 30% rate, or such lower rate as may be specified by an applicable income tax treaty. If you are an individual non-U.S. holder described in the second bullet above, you will be required to pay a flat 30% tax on the gain derived from the sale, which tax may be offset by U.S.-source capital losses for the year. You should consult any applicable income tax or other treaties that may provide for different rules.

Information Reporting and Backup Withholding

Payment of dividends, and the tax withheld on those payments, is subject to information reporting requirements. These information reporting requirements apply regardless of whether withholding was reduced or eliminated by an applicable income tax treaty. Under the provisions of an applicable income tax treaty or agreement, copies of the information returns reporting such dividends and withholding may also be made available to the tax authorities in the country in which the non-U.S. holder resides. U.S. backup withholding will generally apply on payment of dividends to non-U.S. holders unless (1) such non-U.S. holders furnish to the payor or broker a Form W-8BEN or Form W-8BEN-E on which the non-U.S. holder certifies, under penalty of perjury, that it is a non-United States person (or other documentation upon which it may rely to treat the payments as made to a non-United States person in accordance with Treasury regulations), or the non-U.S. holder otherwise establishes an exemption and (2) the payor or broker does not have actual knowledge or reason to know that the holder is a U.S. person, as defined under the Code, that is not an exempt recipient.

Payment of the proceeds of a sale of our common stock within the United States or conducted through certain U.S.-related financial intermediaries is subject to information reporting and, depending on the circumstances, backup withholding, unless the non-U.S. holder, or beneficial owner thereof, as applicable, certifies that it is a non-U.S. holder on Form W-8BEN or Form W-8BEN-E (or other applicable form), or otherwise establishes an exemption and the payor or broker does not have actual knowledge or reason to know the holder is a U.S. person, as defined under the Code, that is not an exempt recipient.

Any amount withheld under the backup withholding rules from a payment to a non-U.S. holder is allowable as a credit against the non-U.S. holder's United States federal income tax, which may entitle the non-U.S. holder to a refund, provided that the non-U.S. holder timely provides the required information to the Internal Revenue Service. Moreover, certain penalties may be imposed by the Internal Revenue Service on a non-U.S. holder who is required to furnish information but does not do so in the proper manner. Non-U.S. holders should consult their tax advisors regarding the application of backup withholding in their particular circumstances and the availability of and procedure for obtaining an exemption from backup withholding under current Treasury regulations.

Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act, or FATCA, imposes a 30% withholding tax on certain types of payments made to "foreign financial institutions" and other specified non-U.S. entities unless certain due diligence, reporting, withholding and certification requirements are satisfied.

The U.S. Treasury Department and the Internal Revenue Service have issued final regulations under FATCA. As a general matter, FATCA imposes a 30% withholding tax on dividends paid on our common stock, and the gross proceeds from the sale or other disposition of our common stock on or after January 1, 2019, if paid to a foreign entity unless:

- the foreign entity is a "foreign financial institution" that undertakes specified due diligence, reporting, withholding and certification obligations or, in the case of a foreign financial institution that is a resident in a jurisdiction that has entered into an intergovernmental agreement to implement FATCA, the entity complies with the diligence and reporting requirements of such an agreement;
- the foreign entity is not a "foreign financial institution" and identifies certain of its U.S. investors; or
- the foreign entity otherwise is exempted under FATCA.

If withholding is imposed under FATCA on a payment related to our common stock, a beneficial owner that is not a foreign financial institution and that otherwise would not be subject to withholding (or that otherwise would be entitled to a reduced rate of withholding) generally may obtain a refund from the Internal Revenue Service by filing a U.S. federal income tax return (which may entail significant administrative burden). Prospective investors should consult their tax advisors regarding the effect of FATCA in their particular circumstances.

UNDERWRITING

We are offering the shares of our common stock described in this prospectus in an underwritten offering in which we, and Stephens Inc. and Raymond James & Associates, Inc., as representative for the underwriters named below, are entering into an underwriting agreement with respect to the shares of our common stock being offered hereby. Subject to certain conditions, each underwriter has severally agreed to purchase, and we have agreed to sell, the number of shares of common stock indicated in the following table:

Underwriter	Number of Shares
Stephens Inc.	
Raymond James & Associates, Inc.	
Total	

The underwriters are offering the shares of our common stock subject to a number of conditions, including receipt and acceptance of the common stock by the underwriters. The obligations of the underwriters to pay for and accept delivery of the shares offered by this prospectus are subject to these conditions.

The underwriting agreement between us and the underwriters provides that if any underwriter defaults, the purchase commitments of the non-defaulting underwriters may be increased or this offering may be terminated.

In connection with this offering, the underwriters or securities dealers may distribute offering documents to investors electronically. See “Electronic Distribution.”

Underwriting Discounts

Shares of our common stock sold by the underwriters to the public will be offered at the initial public offering price set forth on the cover of this prospectus. Any shares of our common stock sold by the underwriters to securities dealers may be sold at a discount of up to $ per share from the initial public offering price. Any of these securities dealers may resell any shares of our common stock purchased from the underwriters to other brokers or dealers at a discount of up to $ per share from the initial public offering price. If all of the shares of our common stock are not sold at the initial public offering price, the representatives may change the offering price and the other selling terms. Sales of shares of our common stock made outside of the United States may be made by affiliates of the underwriters.

The following table shows the initial public offering price, underwriting discounts and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares of our common stock, discussed below:

	Per Share	No Exercise	Full Exercise
Public offering price	$	$	$
Underwriting discount			
Proceeds to us, before expenses	$	$	$

We estimate the expenses of this offering, not including underwriting discount and such expenses are payable by us. We also have agreed to reimburse the underwriters up to approximately $ for certain of their offering expenses, including their counsel fees for expenses related to FINRA matters and the directed share program and certain costs related to the road show. In accordance with FINRA Rule 5110, these reimbursed fees are deemed underwriting compensation for this offering.

Option to Purchase Additional Shares

We have granted the underwriters an option to buy up to additional shares of our common stock, at the initial public offering price less underwriting discounts. The underwriters may exercise this option, in whole or in part, from time to time for a period of 30 days from the date of this prospectus. If the underwriters exercise this option, each underwriter will be obligated, subject to the conditions in the underwriting agreement, to purchase a number of additional shares of our common stock proportionate to the number of shares reflected next to such underwriter's name in the table above relative to the total number of shares reflected in such table. If any additional shares of our common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

Lock-Up Agreements

We, our executive officers and directors, and certain of our shareholders have entered into lock-up agreements with the underwriters. Under these agreements, we and each of these persons may not, without the prior written approval of the representatives and subject to limited exceptions:

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, hypothecate, establish an open "put equivalent position" within the meaning of Rule 16a-1(h) under the Exchange Act, or otherwise dispose of or transfer any shares of our common stock or any securities convertible into or exchangeable or exercisable for our common stock, whether now owned or hereafter acquired or with respect to which such person has or hereafter acquires the power of disposition, or exercise any right with respect to the registration thereof, or file or cause to be filed any registration statement under the Securities Act, with respect to any of the foregoing;

- enter into any swap, hedge, or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the shares of our common stock or such other securities, whether any such swap or transaction is to be settled by delivery of shares of our common stock or other securities, in cash or otherwise; or

- publicly disclose the intention to make any such offer, pledge, sale or disposition, or to enter into any such swap, hedge, transaction or other arrangement.

These restrictions will be in effect for a period of 180 days after the date of the Underwriting Agreement. At any time and without public notice, the representatives may, in their sole discretion, waive or release all or some of the securities from these lock-up agreements. However, as to any of our executive officers or directors, the representatives have agreed to notify us at least three business days before the effective date of any release or waiver, and we have agreed to announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver.

These restrictions also apply to securities convertible into or exchangeable or exercisable for or repayable with our common stock to the same extent as they apply to our common stock. They also apply to common stock owned now or later acquired by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition. In addition, the institutional investors have agreed to not exercise their demand or piggyback registration rights during the lock-up period.

Pricing of the Offering

Prior to this offering, there has been no established public market for our common stock. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters. In addition to prevailing market conditions, among the factors to be considered in determining the initial public offering price of our common stock will be our historical performance, our business potential and our earnings prospects, an assessment of our management, the recent market prices of, and demand for, publicly-traded common stock of comparable companies, the consideration of the above factors in relation to market valuation of comparable companies in related businesses and other factors deemed relevant by the underwriters and us. The estimated initial

public offering price range set forth on the cover page of this preliminary prospectus is subject to change as a result of market conditions and other factors. Neither we nor the underwriters can assure investors that an active trading market for the shares of our common stock may not develop. It is also possible that the shares of our common stock will not trade in the public market at or above the initial public offering price following the completion of this offering.

Exchange Listing

We have applied to have our common stock approved for listing on the Nasdaq Global Select Market under the symbol “OBNK.”

Indemnification and Contribution

We have agreed to indemnify the underwriters and their affiliates, selling agents, and controlling persons against certain liabilities, including under the Securities Act. If we are unable to provide this indemnification, we will contribute to the payments the underwriters and their affiliates, selling agents, and controlling persons may be required to make in respect of those liabilities.

Stabilization

To facilitate this offering and in accordance with Regulation M under the Exchange Act, or Regulation M, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of our common stock, including:

- stabilizing transactions;
- short sales; and
- purchases to cover positions created by short sales.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of our common stock while this offering is in progress. These transactions may also include making short sales of our common stock, which involve the sale by the underwriters of a greater number of shares of common stock than they are required to purchase in this offering. Short sales may be "covered short sales," which are short positions in an amount not greater than the underwriters' option to purchase additional shares referred to above, or may be "naked short sales," which are short positions in excess of that amount.

The underwriters may close out any covered short position either by exercising their option to purchase additional shares, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which they may purchase shares through the option to purchase additional shares described above. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market that could adversely affect investors who purchased in this offering.

As an additional means of facilitating our initial public offering, the underwriters may bid for, and purchase, shares of our common stock in the open market. The underwriting syndicate also may reclaim selling concessions allowed to an underwriter or a dealer for distributing shares of our common stock in this offering, if the syndicate repurchases previously distributed shares of our common stock to cover syndicate short positions or to stabilize the price of our common stock.

As a result of these activities, the price of our common stock may be higher than the price that otherwise might exist in the open market. Neither we nor the underwriters make any representation or prediction as to the effect that the transactions described above may have on the price of our common stock. If these activities are

commenced, they may be discontinued by the underwriters at any time without notice. The underwriters may carry out these transactions on the Nasdaq Global Select Market, in the over-the-counter market or otherwise.

Passive Market Making

In connection with this offering, the underwriters may engage in passive market making transactions in our common stock on the Nasdaq Global Select Market in accordance with Rule 103 of Regulation M during a period before the commencement of offers or sales of our common stock and extending through the completion of the distribution of this offering. A passive market maker must generally display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker's bid, the passive market maker may continue to bid and effect purchases at a price exceeding the then highest independent bid until specified purchase limits are exceeded, at which time such bid must be lowered to an amount no higher than the then highest independent bid. Passive market making may cause the price of our common stock to be higher than the price that otherwise would exist in the open market in the absence of those transactions. The underwriters engaged in passive market making are not required to engage in passive market making and may end passive market making activities at any time.

Electronic Distribution

A prospectus in electronic format may be made available by e-mail or on the websites or through online services maintained by one or more of the underwriters or their affiliates. In those cases, prospective investors may view offering terms online and may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of shares for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations. Other than the prospectus in electronic format, the information on the underwriters' websites and any information contained on any other website maintained by any of the underwriters is not part of this prospectus, has not been approved and/or endorsed by the underwriters or us, and should not be relied upon by investors.

Directed Share Program

At our request, the underwriters have reserved for sale, at the initial public offering price, up to shares of our common stock which represents % of the shares of our common stock offered by this prospectus for sale at the initial public offering price to our directors, officers, employees, business associates, and related persons. Reserved shares purchased by our directors and executive officers will be subject to the lock-up provisions described above. The number of shares of our common stock available for sale to the general public will be reduced to the extent these persons purchase the reserved shares. We do not know if these persons will choose to purchase all or any portion of these reserved shares. Any reserved shares of our common stock that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of common stock offered by this prospectus.

Affiliations

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment advisory, investment research, principal investment, hedging, financing, loan referrals, valuation, and brokerage activities. From time to time, the underwriters and/or their respective affiliates have directly and indirectly engaged, and may in the future engage, in various financial advisory, investment banking loan referrals, and commercial banking services with us and our affiliates, for which they received or paid, or may receive or pay, customary compensation, fees, and expense reimbursement. In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and those investment and securities activities may involve securities and/or instruments of ours. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of those

securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in those securities and instruments.

Selling Restrictions

European Economic Area

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive, each referred to as a Relevant Member State, an offer to the public of any securities which are the subject of the offering contemplated by this prospectus may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any securities may be made at any time under the following exemptions under the Prospectus Directive:

- to any legal entity which is a "qualified investor" as defined in the Prospectus Directive;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the underwriters for any such offer; or;
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of securities shall require us or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression "an offer to the public" in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe to the securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including by Directive 2010/73/EU) and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

This prospectus is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, referred to herein as the Order, and/or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order and other persons to whom it may lawfully be communicated. Each such person is referred to herein as a Relevant Person.

This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a Relevant Person should not act or rely on this document or any of its contents.

LEGAL MATTERS

The validity of the shares of our common stock offered by this prospectus will be passed upon for us by Fenimore, Kay, Harrison & Ford LLP, Austin, Texas. Certain matters in connection with this offering will be passed upon for the underwriters by Covington & Burling LLP, Washington, D.C.

EXPERTS

Our consolidated financial statements as of and for the years ended December 31, 2017 and 2016 appearing this prospectus and registration statement have been audited by BKD, LLP, independent registered public accounting firm, as set forth in its report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of that firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common stock offered by this prospectus. This prospectus, which constitutes a part of that registration statement, does not contain all of the information set forth in the registration statement and the related exhibits and schedules. Some items are omitted in accordance with the rules and regulations of the SEC. Accordingly, we refer you to the complete registration statement, including its exhibits and schedules, for further information about us and the shares of common stock to be sold in this offering. Statements or summaries in this prospectus as to the contents of any contract or other document referred to in this prospectus are not necessarily complete and, where that contract or document is filed as an exhibit to the registration statement, each statement or summary is qualified in all respects by reference to the exhibit to which the reference relates. You may read and copy the registration statement, including the exhibits and schedules to the registration statement, at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Information about the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. Our filings with the SEC, including the registration statement, are also available to you for free on the SEC's Internet website at www.sec.gov.

Upon completion of this offering, we will become subject to the informational and reporting requirements of the Exchange Act and, in accordance with those requirements, will file reports and proxy and information statements with the SEC. You will be able to inspect and copy these reports and proxy and information statements and other information at the addresses set forth above. We intend to furnish to our shareholders our annual reports containing our audited consolidated financial statements certified by an independent registered public accounting firm.

We also maintain an Internet website at www.origin.bank. Information on, or accessible through, our website is not part of this prospectus.

Index to Financial Statements

Report of Independent Registered Public Accounting Firm

To the Shareholders, Board of Directors and Audit Committee
Origin Bancorp, Inc.
Ruston, Louisiana

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Origin Bancorp, Inc. (the "Company") as of December 31, 2017 and 2016, the related consolidated statements of income, comprehensive income, changes in stockholders' equity and cash flows for each of the years in the two-year period ended December 31, 2017, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits.

We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ BKD, LLP

We have served as the Company's auditor since 2016.

Little Rock, Arkansas
March 6, 2018

ORIGIN BANCORP, INC.
Consolidated Balance Sheets

	December 31,	
	2017	**2016**
Assets	(Dollars in thousands, except share data)	
Cash and due from banks	$ 78,489	$ 72,621
Interest-bearing deposits in banks	108,698	187,262
Total cash and cash equivalents	187,187	259,883
Securities:		
Available for sale	404,532	375,517
Held to maturity	20,188	20,710
Securities carried at fair value through income	12,033	12,511
Total securities	436,753	408,738
Non-marketable equity securities held in other financial institutions	22,967	19,675
Loans held for sale ($32,768 and $47,309 at fair value, respectively)	65,343	70,841
Loans, net of allowance for loan losses of $37,083 and $50,531, respectively ($26,611 and $33,693 at fair value, respectively)	3,203,948	3,061,544
Premises and equipment, net	77,408	86,739
Mortgage servicing rights	24,182	29,385
Cash surrender value of bank-owned life insurance	27,993	28,499
Goodwill and other intangible assets, net	24,336	24,854
Deferred tax assets, net	9,026	13,488
Accrued interest receivable and other assets	74,852	67,809
Total assets	$ 4,153,995	$ 4,071,455
Liabilities and Stockholders' Equity		
Noninterest-bearing deposits	$ 832,853	$ 780,065
Interest-bearing deposits	2,060,068	2,014,260
Time deposits	619,093	648,941
Total deposits	3,512,014	3,443,266
FHLB advances and repurchase agreements	111,782	110,343
Junior subordinated debentures	9,619	9,596
Accrued expenses and other liabilities	65,238	59,593
Total liabilities	3,698,653	3,622,798
Commitments and contingencies	34,991	28,564
Stockholders' equity:		
Preferred stock, no par value, 2,000,000 shares authorized		
Preferred stock - Series SBLF (48,260 authorized and issued)	48,260	48,260
Preferred stock - Series D (950,000 shares authorized; 901,644 shares issued)	16,998	16,998
Common stock ($5 par value; authorized 50,000,000 shares; issued 19,518,752 and 19,483,718 shares, respectively)	97,594	97,419
Additional paid-in capital	146,061	145,068
Retained earnings	145,122	137,449
Accumulated other comprehensive income	1,307	3,463
	455,342	448,657
Less: ESOP-owned shares	34,991	28,564
Total stockholders' equity	420,351	420,093
Total liabilities and stockholders' equity	$ 4,153,995	$ 4,071,455

The accompanying notes are an integral part of these consolidated financial statements

ORIGIN BANCORP, INC.
Consolidated Statements of Income

	Years ended December 31,	
	2017	**2016**
Interest and dividend income	(Dollars in thousands, except per share data)	
Interest and fees on loans	$ 138,858	$ 127,846
Investment securities-taxable	6,233	4,970
Investment securities-nontaxable	4,766	4,900
Interest and dividend income on assets held in other financial institutions	2,736	1,435
Total interest and dividend income	152,593	139,151
Interest expense		
Interest-bearing deposits	19,314	15,250
FHLB advances and other borrowings	2,426	2,672
Subordinated debentures	548	546
Total interest expense	22,288	18,468
Net interest income	130,305	120,683
Provision for credit losses	8,336	30,078
Net interest income after provision for credit losses	121,969	90,605
Noninterest income		
Service charges and fees	11,606	11,019
Mortgage banking revenue	15,806	14,869
Insurance commission and fee income	7,207	6,775
Gain on sales of securities, net	—	136
Loss on non-mortgage loans held for sale, net	(12,708)	—
Gain (loss) on sales and disposals of other assets, net	1,036	(515)
Other fee income	2,176	2,970
Other income	4,064	6,614
Total noninterest income	29,187	41,868
Noninterest expense		
Salaries and employee benefits	70,862	63,924
Occupancy and equipment, net	15,915	17,127
Data processing	5,209	4,837
Electronic banking	2,056	2,365
Communications	1,928	2,474
Advertising and marketing	2,923	2,849
Professional services	4,722	4,587
Regulatory assessments	2,867	3,229
Loan related expenses	4,419	3,873
Office and operations	5,456	5,940
Litigation settlement	10,000	—
Other expenses	4,317	5,502
Total noninterest expense	130,674	116,707
Income before income tax expense	20,482	15,766
Income tax expense	5,813	2,916
Net income	$ 14,669	$ 12,850
Preferred stock dividends	4,461	4,398
Net income allocated to participating stockholders	377	316
Net income available to common stockholders	$ 9,831	$ 8,136
Basic earnings per common share	$ 0.51	$ 0.46
Diluted earnings per common share	$ 0.50	$ 0.46

The accompanying notes are an integral part of these consolidated financial statements

ORIGIN BANCORP, INC.
Consolidated Statements of Comprehensive Income

	Years Ended December 31,	
	2017	**2016**
	(Dollars in thousands)	
Net income	$ 14,669	$ 12,850
Other comprehensive income		
Securities available for sale and transferred securities:		
Net unrealized holding losses arising during the period	(3,414)	(2,599)
Net losses realized as a yield adjustment in interest on investment securities	(10)	(9)
Reclassification adjustment for net gains included in net income	—	(136)
Change in the net unrealized gain/loss on investment securities, before tax	(3,424)	(2,744)
Cash flow hedges:		
Net unrealized gain (loss) arising during the period	4	(60)
Reclassification adjustment for losses included in net income	102	157
Change in the net unrealized gain/loss on cash flow hedges, before tax	106	97
Other comprehensive loss, before taxes	(3,318)	(2,647)
Income tax benefit related to items of other comprehensive income	(1,162)	(926)
Other comprehensive loss, net of tax	(2,156)	(1,721)
Comprehensive income	$ 12,513	$ 11,129

The accompanying notes are an integral part of these consolidated financial statements

ORIGIN BANCORP, INC.
Consolidated Statements of Changes in Stockholders' Equity

	Common Shares Outstanding	Preferred Stock Series SBLF	Preferred Stock Series D	Common Stock	Additional Paid-In Capital	Retained Earnings	Unallocated ESOP Shares	Accumulated Other Comprehensive Income	Less: ESOP-Owned Shares	Total Stockholders' Equity
					(Dollars in thousands, except share data)					
Balance at January 1, 2016[1]	17,399,534	$ 48,260	$ 15,000	$ 43,549	$ 155,584	$ 131,328	$ (465)	$ 5,184	$ (25,507)	$ 372,933
Net income	—	—	—	—	—	12,850	—	—	—	12,850
Other comprehensive loss, net of tax	—	—	—	—	—	—	—	(1,721)	—	(1,721)
Recognition of stock compensation	89,269	—	—	484	1,061	—	—	—	—	1,545
Net change in ESOP shares	40,292	—	—	—	—	—	465	—	44	509
Stock issuance - Common	1,954,623	—	—	9,773	32,036	—	—	—	—	41,809
Stock issuance - Preferred	—	—	1,998	—	—	—	—	—	—	1,998
Two for one common stock split in the form of a 100% dividend	—	—	—	43,613	(43,613)	—	—	—	—	—
Net change in fair value of ESOP shares	—	—	—	—	—	—	—	—	(3,101)	(3,101)
Dividends declared - Series SBLF preferred stock	—	—	—	—	—	(4,290)	—	—	—	(4,290)
Dividends declared - Series D preferred stock	—	—	—	—	—	(108)	—	—	—	(108)
Dividends declared - common stock ($0.13 per share)[1]	—	—	—	—	—	(2,331)	—	—	—	(2,331)
Balance at December 31, 2016	19,483,718	48,260	16,998	97,419	145,068	137,449	—	3,463	(28,564)	420,093
Net income	—	—	—	—	—	14,669	—	—	—	14,669
Other comprehensive loss, net of tax	—	—	—	—	—	—	—	(2,156)	—	(2,156)
Recognition of stock compensation	35,034	—	—	175	750	—	—	—	—	925
Tax benefit of 2016 stock issuance costs	—	—	—	—	243	—	—	—	—	243
Net change in fair value of ESOP shares	—	—	—	—	—	—	—	—	(6,427)	(6,427)
Dividends declared - Series SBLF preferred stock	—	—	—	—	—	(4,344)	—	—	—	(4,344)
Dividends declared - Series D preferred stock	—	—	—	—	—	(117)	—	—	—	(117)
Dividends declared - common stock ($0.13 per share)	—	—	—	—	—	(2,535)	—	—	—	(2,535)
Balance at December 31, 2017	19,518,752	$ 48,260	$ 16,998	$ 97,594	$ 146,061	$ 145,122	$ —	$ 1,307	$ (34,991)	$ 420,351

[1] Presentation for 2016 beginning share and per share amounts has been adjusted to reflect a 2-for-1 stock split that occurred on October 5, 2016.

The accompanying notes are an integral part of these consolidated financial statements

ORIGIN BANCORP, INC.
Consolidated Statements of Cash Flows

	Year ended December 31,	
	2017	**2016**
Cash flows from operating activities:	(Dollars in thousands)	
Net income	$ 14,669	$ 12,850
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for credit losses	8,336	30,078
Depreciation and amortization	5,852	7,848
Net amortization on securities	1,416	1,347
Amortization of investments in tax credit funds	2,629	2,251
Net realized gain on securities sold	—	(136)
Deferred income tax expense	4,931	1,400
Stock-based compensation expense	1,150	1,547
Originations of mortgage loans held for sale, net	(500,234)	(745,320)
Proceeds from mortgage loans held for sale	517,326	754,667
Originations of mortgage servicing rights	(3,061)	(4,230)
Net (gain) loss on disposals of premises and equipment	(1,434)	198
Loss on non-mortgage loans held for sale	12,708	—
Increase in the cash surrender value of life insurance	(631)	(708)
Write downs and net losses on sales of other real estate owned	398	328
Net increase in accrued interest and other assets	(9,759)	(14,135)
Net increase in accrued expenses and other liabilities	8,745	5,757
Other operating activities, net	(2,384)	629
Net cash provided by operating activities	60,657	54,371
Cash flows from investing activities:		
Purchases of securities available for sale	(443,033)	(465,690)
Maturities, paydowns and calls of securities available for sale	409,180	433,361
Proceeds from sales of securities available for sale	—	7,136
Maturities, paydowns and calls of securities held to maturity	520	513
Paydowns of securities carried at fair value	381	673
Net purchases of non-marketable equity securities held in other financial institutions	(3,199)	(318)
Paydowns and proceeds from non-mortgage loans held for sale	13,260	—
Originations of mortgage warehouse loans	(4,343,469)	(3,677,464)
Proceeds from pay-offs of mortgage warehouse loans	4,344,800	3,722,658
Net increase in loans, excluding mortgage warehouse and mortgage loans held for sale	(179,383)	(169,338)
Purchases of premises and equipment	(3,031)	(7,925)
Proceeds from sales of premises and equipment	4,411	44
Proceeds from sales of other real estate owned	3,244	1,852
Net cash used in investing activities	(196,319)	(154,498)
Cash flows from financing activities:		
Net increase in deposits	68,748	55,446
Net decrease in other borrowed funds	(1,294)	(4,766)
Net increase (decrease) in securities sold under agreements to repurchase	2,733	(4,933)
Dividends paid	(6,996)	(5,764)
Taxes paid related to net share settlement of equity awards	(348)	(739)
Cash received from exercise of stock options	123	737
Proceeds from issuance of common stock	—	41,809
Proceeds from issuance of preferred stock	—	1,998
Net cash provided by financing activities	62,966	83,788
Net decrease in cash and cash equivalents	(72,696)	(16,339)
Cash and cash equivalents at beginning of period	259,883	276,222
Cash and cash equivalents at end of period	$ 187,187	$ 259,883

The accompanying notes are an integral part of these consolidated financial statements

Note 1 - Summary of Significant Accounting Policies

Consolidation

The consolidated financial statements include the accounts of Origin Bancorp, Inc. (the "Company") and all other entities in which Origin Bancorp, Inc. has a controlling financial interest, including Origin Bank (the “Bank”) and Davison Insurance Agency, LLC ("Davison Insurance"); and Davison Insurance’s wholly owned subsidiary, Thomas & Farr Agency, LLC (“T&F”). All significant intercompany balances and transactions have been eliminated in consolidation. The accounting and financial reporting policies we follow conform, in all material respects, to accounting principles generally accepted in the United States ("US GAAP") and to general practices within the financial services industry.

The Company determines whether it has a controlling financial interest in an entity by first evaluating whether the entity is a voting interest entity or a variable interest entity (“VIE”) under accounting principles generally accepted in the United States. Voting interest entities are entities in which the total equity investment at risk is sufficient to enable the entity to finance itself independently and provides the equity holders with the obligation to absorb losses, the right to receive residual returns and the right to make decisions about the entity’s activities. The Company consolidates voting interest entities in which it has all, or at least a majority of, the voting interest. As defined in applicable accounting standards, VIEs are entities that lack one or more of the characteristics of a voting interest entity. A controlling financial interest in a VIE is present when an enterprise has both the power to direct the activities of the VIE that most significantly impact the VIE’s economic performance and an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. The enterprise with a controlling financial interest, known as the primary beneficiary, consolidates the VIE. The Company's wholly owned subsidiaries CTB Statutory Trust I and First Louisiana Statutory Trust I are VIEs for which it's not the primary beneficiary. Accordingly, the accounts of these trusts are not included in the Company's consolidated financial statements.

Nature of Operations

The Company provides a variety of financial services to individuals and businesses through its offices in Louisiana, Texas and Mississippi. The Company is subject to competition from other financial institutions and is also subject to the regulations of certain federal and state agencies and undergoes periodic examinations by those regulatory authorities.

T&F is an insurance agency with its principal office located in Monroe, Louisiana, that operates a primarily property and casualty insurance agency business.

Operating Segments

Operating segments are components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision-maker in deciding how to allocate resources and in assessing performance. The Bank is the only significant subsidiary upon which management makes decisions regarding how to allocate resources and assess performance. Individual bank branches offer a group of similar services, including commercial, real estate and consumer loans, time deposits, checking and savings accounts, all with similar operating and economic characteristics. While the chief decision-makers monitor the revenue streams of the various products and services, operations are managed and financial performance is evaluated on a Company-wide basis. Accordingly, all of the community banking services and branch locations are considered by management to be aggregated into one reportable operating segment, community banking.

Use of Estimates

To prepare financial statements in conformity with U.S. generally accepted accounting principles, management makes estimates and assumptions based on available information. These estimates and assumptions affect the amounts reported in the financial statements and the disclosures provided, and actual results could differ.

Material estimates that are subject to significant change in the near term are the allowance for loan losses, valuation of other real estate owned, fair value of mortgage servicing rights, realization of deferred tax assets, fair values of financial instruments and the status of contingencies. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all cash on hand, demand deposits with other banks, federal funds sold and short term interest-bearing cash items with an original maturity less than 90 days to be cash equivalents. The Company maintains deposits with other financial institutions in amounts that exceed federal deposit insurance coverage. Furthermore, federal funds sold are essentially uncollateralized loans to other financial institutions. Management regularly evaluates the credit risk associated with the counterparties to these transactions and believes that the Company is not exposed to any significant credit risks on cash and cash equivalents.

At December 31, 2017 and 2016, the Company had cash collateral required to be held with counterparties on certain derivative transactions as discussed in Note 11 - Derivative Financial Instruments. At December 31, 2017 and 2016, the Company had no reserve requirement for cash balances with the Federal Reserve.

Additional cash flow information is as follows:

	Years ended December 31,	
	2017	**2016**
	(Dollars in thousands)	
Interest paid	$ 22,686	$ 18,564
Income taxes paid	5,268	7,091
Significant non-cash transactions:		
Real estate acquired in settlement of loans	749	3,729

Securities

The Company accounts for debt and equity securities as follows:

Available for Sale (“AFS”) - Debt and equity securities that will be held for indefinite periods of time, including securities that may be sold in response to changes in market interest or prepayment rates, needs for liquidity and changes in the availability of and the yield of alternative investments are classified as AFS. These assets are carried at fair value. Fair value is determined using published quotes. If quoted market prices are not available, fair values are based on other methods including, but not limited to the discounting of cash flows.

Held to Maturity (“HTM”) - Debt securities that management has the positive intent and ability to hold until maturity are classified as HTM and are carried at their remaining unpaid principal balance, net of unamortized premiums or unaccreted discounts.

Securities Carried at Fair Value through the Income Statement - Debt securities for which the Company has elected the fair value option for accounting are classified as securities carried at fair value through income. Management has elected the fair value option for these items to offset the corresponding change in fair value of related interest rate swap agreements. Fair value is determined using discounted cash flows and credit quality indicators. Changes in fair value are reported through the consolidated statements of income as a part of other noninterest income.

Unrealized gains and losses on AFS securities are excluded from earnings and reported net of tax in Accumulated Other Comprehensive Income until realized. Declines in the fair value of AFS and HTM securities below their cost are reflected in earnings as realized losses to the extent the impairment is deemed to be other-than-temporary credit losses. In estimating other-than-temporary impairment losses, management considers (1) the length of time and the extent to which the fair value has been less than cost, (2) the financial condition and near-term

prospects of the issuer, and (3) management's intent and ability to retain the investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value. The amount of the impairment related to other factors is recognized in other comprehensive income unless there is no ability or intent to hold to recovery.

Purchase premiums and discounts are recognized in interest income using the interest method over the terms of the securities to the earlier of the call date or maturity date. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method.

Loans Held for Sale

Loans held for sale include mortgage loans and are carried at fair value, with unrealized gains and losses recorded in the consolidated statements of income.

Forward commitments to sell mortgage loans are acquired to reduce market risk on mortgage loans in the process of origination and mortgage loans held for sale. The forward commitments acquired by the Company for mortgage loans in process of origination are mandatory forward commitments, and the Company is required to substitute another loan or to buy back the commitment if the original loan does not fund. Typically, the Company delivers the mortgage loans within a few days after the loans are funded. These commitments are derivative instruments carried at fair value.

Gains and losses resulting from sales of mortgage loans are realized when the respective loans are sold to investors. Gains and losses are determined by the difference between the selling price (including the fair value of any items such as mortgage servicing rights) and the carrying amount of the loans sold. Fees received from borrowers to guarantee the funding of mortgage loans held for sale are recognized as income or expense when the loans are sold or when it becomes evident that the commitment will not be used.

Loans

Loans that management has the intent and ability to hold for the foreseeable future, or until maturity or payoff, are reported at their outstanding unpaid principal balances adjusted for charge-offs, the allowance for loan losses, and any deferred fees or costs on originated loans. Interest income is accrued on the unpaid principal balance. Loan origination fees, and certain direct origination costs, are deferred and amortized as a yield adjustment over the lives of the related loans using the interest method. Late fees are recognized as income when earned, assuming collectability is reasonably assured.

The Company has elected the fair value option on a portion of its loans held for investment, with changes in fair value recorded in noninterest income. For these loans, the earned current contractual interest payment is recognized in interest income. Loan origination costs and fees are recognized in earnings as incurred and not deferred. Because these loans are recognized at fair value, the Company's nonaccrual, allowance for loan losses, and charge-off policies do not apply to these loans. Fair value is determined using discounted cash flows and credit quality indicators.

In addition to loans issued in the normal course of business, the Company considers overdrafts on customer deposit accounts to be loans and classifies these overdrafts as loans in its consolidated balance sheets.

Loans are placed on nonaccrual status when management believes that the borrower’s financial condition, after giving consideration to economic and business conditions and collection efforts, is such that collection of interest is doubtful, or generally when loans are 90 days or more past due. When accrual of interest is discontinued, all unpaid accrued interest is reversed. Past due status is based on contractual terms of the loan. Interest income on nonaccrual loans may be recognized to the extent cash payments are received, but payments received are usually applied to principal. Non-accrual loans are generally returned to accrual status when principal and interest payments are less than 90 days past due, the customer has made required payments for at least six months, and the Company reasonably expects to collect all principal and interest.

Allowance for Loan Losses

The allowance for loan losses is established as losses are estimated to have occurred through a provision for loan losses charged to earnings. The allowance for loan losses is evaluated on a regular basis by management and is based upon management's periodic review of the collectability of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral, and prevailing economic conditions. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available. Loans are charged off against the allowance for loan losses when management believes the loss is confirmed. Subsequent recoveries, if any, are credited to the allowance.

The allowance consists of allocated and general components. The allocated component relates to loans that are classified as impaired, and an allowance is established when the discounted cash flows (or collateral value or observable market price) of the impaired loan is lower than the carrying value of that loan. The general component relates to loans that are not classified as impaired and is based on historical charge-off experience and the expected loss, given default, derived from the Company's internal risk rating process. Other adjustments may be made to the allowance for pools of loans after an assessment of internal or external influences on credit quality that are not fully reflected in the historical loss or risk rating data.

A loan is considered impaired when, based on current information and events, it is probable that the Company will be unable to collect the scheduled payments of principal or interest when due according to the contractual terms of the loan agreement. Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting scheduled principal and interest payments when due. Impaired loans include nonperforming loans and loans modified in troubled debt restructurings ("TDRs"). TDRs are loans for which the contractual terms on the loan have been modified and both of the following conditions exist: (1) the borrower is experiencing financial difficulty and (2) the restructuring constitutes a concession. Concessions could include a reduction in the interest rate on the loan, payment extensions, forgiveness of principal, forbearance or other actions intended to maximize collection. The Company assesses all loan modifications to determine whether they constitute a TDR. All TDRs are considered impaired loans. Impairment is measured on a loan-by-loan basis by either the present value of expected future cash flows discounted at the loan's effective interest rate, the loan's obtainable market price or the fair value of the collateral if the loan is collateral dependent.

Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record, and the amount of the shortfall in relation to the principal and interest owed.

Premises and Equipment, net

Land is carried at cost. Buildings and improvements are stated at cost less accumulated depreciation computed using the straight-line method over the estimated useful lives of the assets, which range from thirty-five to forty years. Furniture, fixtures, and equipment are stated at cost less accumulated depreciation computed using the straight-line method over the estimated useful lives of the assets, which range from three to seven years. Leasehold improvements are capitalized and depreciated using the straight-line method over the estimated useful lives of the leasehold improvements or the expected terms of the leases, if shorter.

Non-marketable Equity Securities Held in Other Financial Institutions

Securities with limited marketability, such as stock in the Federal Reserve Bank of Dallas ("FRB") or the Federal Home Loan Bank of Dallas ("FHLB"), and other investments in financial institutions, are carried at cost. These investments in stock do not have a readily determinable fair value. The carrying value of these securities was evaluated and was determined not to be impaired for the years ended December 31, 2017 and 2016.

Mortgage Servicing Rights and Transfers of Financial Assets

Gains or losses on "servicing-retained" loan sale transactions generally include a component reflecting the differential between the contractual interest rate of the loan and the interest rate to be received by the investor. The present value of the estimated future profit for servicing the loans is also taken into account in determining the amount of gain or loss on the sale of these loans. For loans sold servicing-retained, the fair value of mortgage servicing rights is recorded as an asset, with their value estimated using a discounted cash flow methodology to arrive at the present value of future expected earnings from the servicing of the loans. Significant model inputs include prepayment speeds, discount rates, and servicing costs. Servicing revenues are based on a contractual percentage of the outstanding principal or a fixed amount per loan and are recorded as income when earned.

Loans sold into the secondary market are considered transfers of financial assets. These transfers are accounted for as sales when control over the asset has been surrendered, which is deemed to have occurred when: an asset does not have any claims to it by the transferor or their creditors, including in bankruptcy or other receivership situations; the transferee obtains the unconditional right to pledge or exchange the asset; or the transfer does not include a repurchase provision above the limited recourse provisions of these loan sales.

Derivative Instruments and Hedging Activities

All derivatives are recorded on the balance sheet at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk in a fair value hedge or the earnings effect of the hedged forecasted transactions in a cash flow hedge. During the term of a cash flow hedge contract the effective portion of changes in fair value in the derivative instrument are recorded in accumulated other comprehensive income. Changes in the fair value of derivatives to which hedge accounting does not apply are recognized immediately in earnings. Note 11 - Derivative Financial Instruments describes the derivative instruments currently used by the Company and discloses how these derivatives impact its consolidated balance sheets and statements of income.

Goodwill and Other Intangible Assets

Goodwill, which represents the excess of cost over the fair value of the net assets of an acquired business, is not amortized but tested for impairment on an annual basis, which is October 1 for the Company, or more often if events or circumstances indicate that there may be impairment. Other intangible assets, such as relationship based intangibles and core deposit intangibles, are amortized on a basis consistent with the receipt of economic benefit to us. Such assets are evaluated at least annually as to the recoverability of their carrying value for potential impairment. In the quarter following the period in which identified intangible assets become fully amortized, the fully amortized balances are removed from the gross asset and accumulated amortization amounts.

Other Real Estate Owned

Other real estate owned (“OREO”) represents properties acquired through foreclosure or acceptance of a deed in lieu of foreclosure on loans on which the borrowers have defaulted as to payment of principal and interest. These properties are initially recorded at fair value, less cost to sell, at the date of foreclosure establishing a new cost basis. Fair value is determined based on third party appraisals. Any subsequent capital improvements that increase value are added to the balance of the properties. Any valuation adjustments required at the date of transfer from loans to OREO are charged to the allowance for loan losses. Any subsequent write-downs to reflect current fair value, or gains and losses on the sale of the properties are charged to noninterest income. At December 31, 2017

and 2016, the balance of OREO was $499,000 and $1.6 million, respectively, and included as a component of other assets in the accompanying consolidated balance sheets.

Overnight Repurchase Agreements with Depositors

The Company enters into agreements under which it sells securities subject to an obligation to repurchase the same or similar securities. Under these arrangements, the Company may transfer legal control over the assets but still retain effective control through an agreement that both entitles and obligates it to repurchase the assets. Securities sold under agreements to repurchase generally mature on the banking day following that on which the investment was initially sold and are treated as collateralized financing transactions which are recorded at the amounts at which the securities were sold plus accrued interest. Interest rates and maturity dates of the securities involved vary and are not intended to be matched with funds from customers.

Mortgage Banking Revenue

This revenue category primarily reflects the Company's mortgage production, sales and mortgage servicing revenue, including fees and income derived from mortgages originated with the intent to sell; mortgage sales and servicing; and the impact of risk management activities associated with the mortgage pipeline and mortgage servicing rights ("MSRs"). This revenue category also includes gains and losses on sales and changes in fair value for mortgage loans originated with the intent to sell and measured at fair value under the fair value option. Changes in the fair value of MSRs are reported in mortgage banking revenue. Net interest income from mortgage loans is recorded in interest income.

Income Taxes

Income tax expense is the total of the current year income tax due or refundable and the change in deferred tax assets and liabilities. Deferred tax assets and liabilities are the expected future tax amounts for the temporary differences between carrying amounts and tax bases of assets and liabilities, computed using enacted tax rates. A valuation allowance, if needed, reduces deferred tax assets to the amount expected to be realized.

A tax position is recognized as a benefit only if it is “more likely than not” that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the “more likely than not” test, no tax benefit is recorded. The Company did not have any amount accrued with respect to uncertainty in income taxes at December 31, 2017 or 2016.

The Company recognizes interest and/or penalties related to income tax matters as a component of noninterest expense. Penalties and related interest were $20,000 and $148,000 for the years ended December 31, 2017 and 2016, respectively. Federal income tax expense or benefit has been allocated to subsidiaries on a separate return basis.

Stock-Based Compensation

The cost of employee services received in exchange for stock options or restricted stock grants are measured using the fair value of the award on the grant date and is recognized over the service period. During 2016, the Company adopted the amendments outlined in *Accounting Standards Update ("ASU") No. 2016-09 — Compensation — Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*. The adoption of the ASU did not have a significant impact on its consolidated financial statements or disclosures.

Other Investments

The Company accounts for investments in limited partnerships, limited liability companies (“LLCs”), and other privately held companies using either the cost or the equity method of accounting if the investee is less than wholly owned. The accounting treatment depends upon the Company's percentage ownership or degree of management influence.

Under the cost method of accounting, the Company records an investment in stock at cost and generally recognizes cash dividends received as income. If cash dividends received exceed the Company's relative ownership of the investee's earnings since the investment date, these payments are considered a return of investment and reduce the cost of the investment.

Under the equity method of accounting, the Company records its initial investment at cost. Subsequently, the carrying amount of the investment is increased or decreased to reflect its share of income or loss of the investee. The Company's recognition of earnings or losses from an equity method investment is based on its ownership percentage in the investee and the investee's earnings for the reporting period, and is recorded on a one-quarter lag.

All of the Company's investments in limited partnerships, LLCs, and other companies are privately held, and their market values are not readily available. Management evaluates the investments in investees for impairment based on the investee's ability to generate cash through its operations or obtain alternative financing, and other subjective factors. There are inherent risks associated with investments in such companies, which may result in income statement volatility in future periods.

At December 31, 2017 and 2016, investments in limited partnerships, LLCs and other privately held companies totaled $11.3 million and $9.6 million, respectively, and were included in other assets in the accompanying consolidated balance sheets. Of these balances, $326,000 was accounted for under the cost method at December 31, 2017 and 2016.

Investments in Tax Credit Entities

As part of its Community Reinvestment Act responsibilities and due to their favorable economics, the Company invests in tax credit-motivated projects primarily in the markets it serves. These projects are directed at tax credits issued under Low-Income Housing Tax Credits. The Company generates returns on tax credit motivated projects through the receipt of federal, and if applicable, state tax credits. The federal tax credits are recorded as an offset to the income tax provision in the year that they are earned under federal income tax law – over 10 to 15 years beginning in the year in which rental activity commences. These credits, if not used in the tax return for the year of origination, can be carried forward for 20 years.

The Company invests in a tax credit entity, usually a limited liability company, which owns the real estate. The Company receives a nonvoting interest in the entity that must be retained during the compliance period for the credits (15 years for Low-Income Housing credit programs). Control of the tax credit entity rests in the 0.1% interest general partner, who has the power and authority to make decisions that impact economic performance of the project and is required to oversee and manage the project. Due to the lack of any voting, economic, or managerial control, and due to the contractual reduction in the investment, the Company accounts for its investment by amortizing the investment, beginning at the issuance of the certificate of occupancy of the project, over the compliance period, as management believes any potential residual value in the real estate will have limited value. Amortization is included as a component of income tax expense.

The Company has the risk of credit recapture if the project does not maintain compliance during the compliance period. No such events have occurred to date. At December 31, 2017 and 2016, the Company had investments in tax credit entities of $12.5 million and $15.2 million, respectively, which are included in other assets in the accompanying consolidated balance sheets.

Earnings per share

Basic earnings per common share is calculated using the two-class method. The two-class method is an earnings allocation formula that determines earnings per share for each share of common stock and participating securities according to dividends declared (distributed earnings) and participation rights in undistributed earnings. Distributed and undistributed earnings are allocated between common and participating security shareholders based on their respective rights to receive dividends. Share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents are considered participating securities (e.g., restricted stock grants). Preferred stock that receives dividends based on dividends paid on common stock is also considered a participating security (e.g., Series D preferred stock). Undistributed net losses are not allocated to holders of participating securities, as

they do not have a contractual obligation to fund the losses incurred by the Company. Net income attributable to common stockholders is then divided by the weighted average number of common shares outstanding during the period, net of participating securities and reduced for average unallocated shares held by the Company's employee stock ownership plan ("ESOP").

Diluted income per common share considers common stock issuable under the assumed release of unvested restricted stock awards, convertible preferred stock being converted to common stock, and the assumed exercise of stock options granted. The dilutive effect of share-based payment awards that are not deemed to be participating securities is calculated using the treasury stock method, which assumes that the proceeds from exercise are used to purchase common stock at the average market price for the period. The dilutive effect of participating securities is calculated using the more dilutive of the treasury stock method (which assumes that the participating securities are exercised/released) or the two-class method (which assumes that the participating securities are not exercised/released and earnings are reallocated between common and participating security shareholders). Potentially dilutive common stock equivalents are excluded from the computation of diluted earnings per common share in periods in which the effect would be antidilutive.

Recent Accounting Pronouncements

ASU No. 2018-02, Income Statement - Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income. The amendments in this update allow a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the Tax Cuts and Jobs Act. Since these amendments only relate to the reclassification of the income tax effects of the Tax Cuts and Jobs Act, the underlying guidance that requires that the effect of a change in tax laws or rates be included in income from continuing operations is not affected. These amendments require that an entity disclose a description of the accounting policy for releasing income tax effects from accumulated other comprehensive income. These amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within those years. Early adoption is permitted, including adoption in any interim period, for reporting periods for which financial statements have not yet been issued. These amendments should be applied either in the period of adoption or retrospectively to each period in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Cuts and Jobs Act is recognized. The Company will adopt this ASU in the first quarter of 2018 and the impact on the consolidated financial statements or disclosures will not be significant.

ASU No. 2017-12, Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities. ASU 2017-12 permits hedge accounting for risk components in hedging relationships involving nonfinancial risk and interest rate risk. It also changes the guidance for designating fair value hedges of interest rate risk and for measuring the change in fair value of the hedged item in fair value hedges of interest rate risk. In addition to the amendments to the designation and measurement guidance for qualifying hedging relationships, the amendments in this ASU also align the recognition and presentation of the effects of the hedging instrument and the hedged item in the financial statements. This ASU requires an entity to present the earnings effect of the hedging instrument in the same income statement line item in which the earnings effect of the hedged item is reported. For public entities, these amendments are effective for fiscal years beginning after December 15, 2018 and interim periods within those fiscal years. Early application is permitted. The Company does not expect the adoption of this ASU to have a significant impact on the consolidated financial statements or disclosures.

ASU No. 2017-09, Compensation – Stock Compensation (Subtopic 718): Scope of Modification Accounting. ASU 2017-09 was issued to eliminate inconsistencies in the application of accounting for modifications of stock-based compensation awards. The ASU provides that an entity should account for the effects of a modification unless all of the following are met: (1) The fair value (or calculated value or intrinsic value, if such an alternative measurement method is used) of the modified award is the same as the fair value (or calculated value or intrinsic value, if such an alternative measurement method is used) of the original award immediately before the original award is modified. If the modification does not affect any of the inputs to the valuation technique that the entity uses to value the award, the entity is not required to estimate the value immediately before and after the modification, (2) The vesting conditions of the modified award are the same as the vesting conditions of the original award immediately before the original award is modified, and (3) The classification of the modified award as an equity instrument or a liability instrument is the same as the classification of the original award immediately before the

original award is modified. This ASU is effective for annual periods and interim periods within those annual periods beginning after December 15, 2017. Early adoption is permitted, including adoption in an interim period. The Company elected to adopt the provisions of ASU 2017-09 during the quarter ended June 30, 2017 in advance of the required application date. The adoption of this standard did not materially impact the amounts or disclosures in the Company's consolidated financial statements.

ASU No. 2017-08, Receivables – Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on Purchased Callable Debt Securities. ASU 2017-08 shortens the amortization period for certain callable debt securities held at a premium. The ASU provides that premiums on these securities are to be amortized to the earliest call date. The accounting for securities held at a discount is not changed, and therefore, they are still required to be amortized to maturity. The Company elected to adopt the provisions of ASU 2017-08 during the quarter ended March 31, 2017 in advance of the required application date. The adoption of this standard did not materially impact the amounts or disclosures in the Company's consolidated financial statements.

ASU No. 2017-04, Goodwill and Other (Topic 350) – Simplifying the Test for Goodwill Impairment. This ASU simplifies the accounting for goodwill impairment for all entities by requiring impairment charges to be based on the first step in today's two-step impairment test. Under the new guidance, if a reporting unit's carrying amount exceeds its fair value, an entity will record an impairment charge based on that difference. The impairment charge will be limited to the amount of goodwill allocated to that reporting unit. The standard eliminates today's requirement to calculate a goodwill impairment charge using Step 2, which requires an entity to calculate any impairment charge by comparing the implied fair value of goodwill with its carrying amount. This ASU is effective for annual periods beginning after December 15, 2019, and interim periods. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The adoption of ASU 2017-04 is not expected to have a material impact on the amounts or disclosures in the Company's consolidated financial statements.

ASU No. 2016-18 —Statement of Cash Flows (Topic 230): Restricted Cash. ASU 2016-18 requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The amendments in this update are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted. The amendments in this update should be applied using a retrospective transition method to each period presented. The Company does not expect the ASU to have a significant impact on its consolidated statement of cash flows.

ASU No. 2016-15 —Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments. ASU 2016-15 adds or clarifies guidance on the classification of certain cash receipts and payments in the statement of cash flows. The amendments in this update are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted. The Company does not expect the ASU to have a significant impact on the consolidated statements of cash flows.

ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. ASU 2016-13 amends guidance on reporting credit losses for assets held at amortized cost basis and available for sale debt securities. For assets held at amortized cost basis, Topic 326 eliminates the probable initial recognition threshold in current GAAP and, instead, requires an entity to reflect its current estimate of all expected credit losses. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected. For available for sale debt securities, credit losses should be measured in a manner similar to current US GAAP, however Topic 326 will require that credit losses be presented as an allowance rather than as a write-down. This Accounting Standards Update affects entities holding financial assets and net investment in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. The amendments in the update are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. The guidance can be adopted as early

as the fiscal years beginning after December 15, 2018. The Company continues to evaluate the impact of this ASU on the consolidated financial statements and disclosures.

ASU No. 2016-02, Leases (Topic 842). ASU 2016-02 requires lessees to put most leases on their balance sheets but recognize expenses in the income statement in a manner similar to current accounting treatment. This ASU changes the guidance on sale-leaseback transactions, initial direct costs and lease execution costs, and, for lessors, modifies the classification criteria and the accounting for sales-type and direct financing leases. For public business entities, this ASU is effective for annual periods beginning after December 15, 2018 and interim periods therein. Early adoption is permitted. Entities are required to use a modified retrospective approach for leases that exist or are entered into after the beginning of the earliest comparative period in the financial statements. The Company is evaluating the impact of this ASU on the consolidated financial statements and disclosures.

ASU No. 2016-01 —Financial Instruments —Overall (Subtopic 825-10). The main provisions of the update are to eliminate the available for sale classification of accounting for equity securities and to adjust the fair value disclosures for financial instruments carried at amortized costs such that the disclosed fair values represent an exit price as opposed to an entry price. The provisions of this update will require that equity securities be carried at fair market value on the balance sheet and any periodic changes in value will be adjustments to the income statement. A practical expedient is provided for equity securities without a readily determinable fair value, such that these securities can be carried at cost less any impairment. The provisions of this update become effective for interim and annual periods beginning after December 15, 2017. The disclosure of fair value of the loan and interest-bearing deposit portfolios will be presented using an exit price method instead of the current discounted cash flow. The Company has concluded that the remaining requirements of this update are not expected to have a material impact on the financial position, results of operations or cash flows.

ASU No. 2015-02, Consolidation (Topic 810) – Amendments to the Consolidation Analysis. ASU 2015-02 implements changes to both the variable interest consolidation model and the voting interest consolidation model. ASU 2015-02 (i) eliminates certain criteria that must be met when determining when fees paid to a decision-maker or service provider do not represent a variable interest, (ii) amends the criteria for determining whether a limited partnership is a variable interest entity and (iii) eliminates the presumption that a general partner controls a limited partnership in the voting model. Not all components of this update allow early adoption. The ASU became effective on January 1, 2017 and did not have a significant impact on the Company's financial statements.

ASU No. 2014-09, Revenue from Contracts with Customers. ASU 2014-09 states that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU affects entities that enter into contracts with customers to transfer goods or services or enter into contracts for the transfer of nonfinancial assets, unless those contracts are within the scope of other standards. In August 2015, the FASB issued *ASU 2015-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, which deferred the effective date of ASU 2014-09 for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Early adoption is permitted. Our revenue is comprised of net interest income on financial assets and financial liabilities, which is explicitly excluded from the scope of ASU 2014-09, and noninterest income. The identification of revenue streams within the scope of Topic 606 is complete, resulting in no impact on the Company's financial position, results of operations or cash flows; however, there will be additional disclosures required for noninterest income.

Note 2 - Earnings Per Share

	Years Ended December 31,	
	2017	**2016**
	(Dollars in thousands, except per share data)	
Basic earnings per common share		
Net income	$ 14,669	$ 12,850
Less: Dividends to preferred stock[1]	4,461	4,398
Net income allocated to participating stockholders [1]	377	316
Net income allocated to common stockholders	$ 9,831	$ 8,136
Weighted average common shares outstanding [2] [4]	19,418,278	17,545,655
Basic earnings per common share	$ 0.51	$ 0.46
Diluted earnings per common share		
Diluted earnings applicable to common stockholders [3]	$ 9,861	$ 8,136
Weighted average diluted common shares outstanding:		
Weighted average common shares outstanding[2] [4]	19,418,278	17,545,655
Dilutive effect of common stock options	216,134	187,406
Weighted average diluted common shares outstanding	19,634,412	17,733,061
Diluted earnings per common share	$ 0.50	$ 0.46

(1) Participating stockholders include those that hold certain share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents. Such shares or units are considered participating securities (i.e., nonvested restricted stock grants). Additionally, Series D preferred stockholders are participating stockholders as those shares participate in dividends with common shares on a one for one basis.

(2) Weighted average common shares outstanding excludes average unearned restricted shares in the computation of basic earnings per share. Under the two-class method, unearned restricted shares are included in the computation of diluted earnings per share, however, depending on nuances of the computation, may or may not affect the number of weighted average diluted common shares outstanding. Unearned restricted shares are considered issued and therefore included as part of total issued shares disclosed on the consolidated balance sheets.

(3) Net income allocated to common stockholders for basic and diluted earnings per share may differ under the two-class method as a result of adding common stock equivalents for options to dilutive shares outstanding, which alters the ratio used to allocate earnings to common stockholders and participating securities for the purposes of calculating diluted earnings per share.

(4) Presentation for 2016 share and per share amounts has been adjusted to reflect a 2-for-1 stock split that occurred on October 5, 2016.

Note 3 - Securities

The following table is a summary of the amortized cost and estimated fair value, including gross unrealized gains and losses, of available for sale and held to maturity securities for the dates indicated:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2017	(Dollars in thousands)			
Available for sale:				
State and municipal securities	$ 125,909	$ 4,104	$ (35)	$ 129,978
Corporate bonds	3,000	136	—	3,136
Residential mortgage-backed securities	105,132	492	(595)	105,029
Residential collateralized mortgage obligations	168,645	262	(2,518)	166,389
Total	$ 402,686	$ 4,994	$ (3,148)	$ 404,532
Held to maturity:				
State and municipal securities	$ 20,188	$ 77	$ —	$ 20,265
Securities carried at fair value through income:				
State and municipal securities[(1)]	$ 11,918	$ —	$ —	$ 12,033
December 31, 2016				
Available for sale:				
State and municipal securities	$ 125,988	$ 6,605	$ (124)	$ 132,469
Residential mortgage-backed securities	106,177	637	(793)	106,021
Residential collateralized mortgage obligations	138,093	762	(1,828)	137,027
Total	$ 370,258	$ 8,004	$ (2,745)	$ 375,517
Held to maturity:				
State and municipal securities	$ 20,710	$ 285	$ —	$ 20,995
Securities carried at fair value through income:				
State and municipal securities[(1)]	$ 12,298	$ —	$ —	$ 12,511

(1) Securities carried at fair value through income have no unrealized gains or losses at the balance sheet date as all changes in value have been recognized in the consolidated financial statements.

Securities in an unrealized loss position at December 31, 2017 and 2016 are presented below by investment category and length of time in a continuous unrealized loss position:

	Less than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
December 31, 2017	(Dollars in thousands)					
Available for sale:						
State and municipal securities	$ 2,114	$ (5)	$ 1,210	$ (30)	$ 3,324	$ (35)
Residential mortgage-backed securities	46,018	(198)	20,233	(397)	66,251	(595)
Residential collateralized mortgage obligations	70,788	(641)	60,622	(1,877)	131,410	(2,518)
Total	$ 118,920	$ (844)	$ 82,065	$ (2,304)	$ 200,985	$ (3,148)
December 31, 2016						
Available for sale:						
State and municipal securities	$ 9,633	$ (124)	$ —	$ —	$ 9,633	$ (124)
Residential mortgage-backed securities	72,455	(793)	—	—	72,455	(793)
Residential collateralized mortgage obligations	84,320	(1,340)	11,893	(488)	96,213	(1,828)
Total	$ 166,408	$ (2,257)	$ 11,893	$ (488)	$ 178,301	$ (2,745)

At December 31, 2017, the Company had 62 securities that were in an unrealized loss position. The unrealized losses for each of the securities relate to market interest rate changes. The Company has considered the current market for the securities in an unrealized loss position, as well as the severity and duration of the impairments, and expects fair value of the securities to recover from an unrealized loss position. At December 31, 2017, management does not intend to sell these investments until the fair value exceeds amortized cost and it is more likely than not that the Company will not be required to sell debt securities before the anticipated recovery of the amortized cost basis of the security; thus, the impairment is determined not to be other-than-temporary.

Proceeds from sales of securities available for sale and gross gains for the years ended December 31, 2017 and 2016 are shown below. There were no gross realized losses in either year presented.

	2017	2016
	(Dollars in thousands)	
Proceeds from sales	$ —	$ 7,136
Gross realized gains	—	136

The following table presents the amortized cost and fair value of securities available for sale and held to maturity as of December 31, 2017, grouped by contractual maturity. Mortgage-backed securities and collateralized mortgage obligations, which do not have contractual payments due at a single maturity date, are shown separately. Actual maturities for mortgage-backed securities and collateralized mortgage obligations will differ from contractual maturities as a result of prepayments made on the underlying mortgages.

	Held to maturity		Available for sale	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(Dollars in thousands)			
Due in one year or less	$ —	$ —	$ 2,245	$ 2,257
Due after one year through five years	14,963	15,040	23,947	24,605
Due after five years through ten years	—	—	85,002	87,752
Due after ten years	5,225	5,225	17,715	18,500
Residential mortgage-backed securities	—	—	105,132	105,029
Residential collateralized mortgage obligations	—	—	168,645	166,389
Total	$ 20,188	$ 20,265	$ 402,686	$ 404,532

Securities with a carrying value of $276.3 million and $266.9 million at December 31, 2017 and 2016, respectively, were pledged to secure public deposits. At December 31, 2017 and 2016, the carrying amount of securities pledged to repurchase agreements was $36.7 million and $38.6 million, respectively.

Securities carried at fair value through income

See Note 5 - Fair Value of Financial Instruments for more information.

Note 4 - Loans

Loans consist of the following:

	December 31,	
	2017	2016
	(Dollars in thousands)	
Loans held for sale	$ 65,343	$ 70,841
Loans held for investment:		
Real estate:		
Commercial real estate	$ 1,083,275	$ 1,026,752
Construction/land/land development	322,404	311,279
Residential real estate loans	570,583	414,226
Total real estate	1,976,262	1,752,257
Commercial and industrial loans	989,220	1,135,683
Mortgage warehouse lines of credit	255,044	201,997
Consumer loans	20,505	22,138
Total loans held for investment[(1)]	3,241,031	3,112,075
Less: Allowance for loan losses	37,083	50,531
Net loans held for investment	$ 3,203,948	$ 3,061,544

(1) Presented net of net deferred loan fees of $1.0 million and net deferred loan costs of $2.2 million at December 31, 2017 and 2016, respectively.

Included in total loans held for investment are $21.0 million and $5.6 million of commercial real estate loans and commercial and industrial loans, respectively, for which the fair value option has been elected at December 31, 2017. At December 31, 2016, the Company held $27.6 million and $6.1 million of commercial real estate loans and commercial and industrial loans, respectively, at fair value. The Company mitigates the interest rate component of fair value risk on loans at fair value by entering into derivative interest rate contracts. See Note 5 - Fair Value of Financial Instruments for more information on loans for which the fair value option has been elected.

During the year ended December 31, 2017, energy loans totaling $26.6 million that were previously classified as held for investment were re-classified as held for sale. The reclassification was part of our strategy to reduce our energy loan portfolio through the sale of certain energy loans. We recognized losses of $12.7 million on those loans and recovered $583,000 of principal balances by foreclosing on certain real estate properties. We also received repayments of principal and proceeds from sales of $13.3 million. The $12.7 million of losses have been included as a component in noninterest income in the accompanying consolidated statements of income.

Credit quality indicators. As part of the Company's commitment to manage the credit quality of its loan portfolio, management annually updates and evaluates certain credit quality indicators, which include but are not limited to (i) weighted-average risk rating of the loan portfolio, (ii) net charge-offs, (iii) level of non-performing loans, (iv) level of classified loans, and (v) the general economic conditions in the states in which the Company operates. The Company maintains an internal risk rating system where ratings are assigned to individual loans based on assessed risk. Risk ratings are continually evaluated to ensure they are appropriate based on currently available information. These risk ratings are the primary indicator of credit quality for its loan portfolio.

The following is a summary description of the Company's internal risk ratings:

• Pass (1-6)	Loans within this risk rating are further categorized as follows:
Minimal risk (1)	Well-collateralized by cash equivalent instruments held by the Bank.
Moderate risk (2)	Borrowers with excellent asset quality and liquidity. Borrowers' capitalization and liquidity exceed industry norms. Borrowers in this category have significant levels of liquid assets and have a low level of leverage.
Better than average risk (3)	Borrowers with strong financial strength excellent liquidity that consistently demonstrate strong operating performance. Borrowers in this category generally have a sizable net worth that can be converted into liquid assets within 12 months.
Average risk (4)	Borrowers with sound credit quality and financial performance, including liquidity. Borrowers are supported by sufficient cash flow coverage generated through operations across the full business cycle.
Marginally acceptable risk (5)	Loans generally meet minimum requirements for an acceptable loan in accordance with lending policy, but possess one or more attributes that cause the overall risk profile to be higher than the majority of newly approved loans.
Watch (6)	A passing loan with one or more factors that identify a potential weakness in the overall ability of the borrower to repay the loan. These weaknesses are generally mitigated by other factors that reduce the risk of delinquency or loss.
• Special Mention (7)	This grade is intended to be temporary and includes borrowers whose credit quality have deteriorated and is at risk of further decline.
• Substandard (8)	This grade includes "Substandard" loans, in accordance with regulatory guidelines. Substandard loans exhibit a well-defined weakness that jeopardizes debt repayment in accordance with contractual agreements, even though the loan may be performing. These obligations are characterized by the distinct possibility that a loss may be incurred if these weaknesses are not corrected and repayment may be dependent upon collateral liquidation or secondary source of repayment.
• Doubtful (9)	This grade includes "Doubtful" loans, in accordance with regulatory guidelines. Such loans are placed on nonaccrual status and repayment may be dependent upon collateral with no readily determinable valuation or valuations that are highly subjective in nature. Repayment for these loans is considered improbable based on currently existing facts and circumstances.
• Loss (0)	This grade includes "Loss" loans in accordance with regulatory guidelines. Loss loans are charged-off or written-down when repayment is not expected.

The recorded investment in loans by credit quality indicator at December 31, 2017 and 2016, excluding loans held for sale, were as follows:

	December 31, 2017					
	Pass	**Special mention**	**Substandard**	**Doubtful**	**Loss**	**Total**
Loans secured by real estate:			(Dollars in thousands)			
Commercial real estate	$ 1,055,911	$ 7,798	$ 19,566	$ —	$ —	$ 1,083,275
Construction/land/land development	318,488	170	3,746	—	—	322,404
Residential real estate	560,945	778	8,860	—	—	570,583
Total real estate	1,935,344	8,746	32,172	—	—	1,976,262
Commercial and industrial loans	915,111	15,332	58,777	—	—	989,220
Mortgage warehouse lines of credit	255,044	—	—	—	—	255,044
Consumer loans	20,223	—	279	3	—	20,505
Total loans held for investment	$ 3,125,722	$ 24,078	$ 91,228	$ 3	$ —	$ 3,241,031

	December 31, 2016					
	Pass	**Special mention**	**Substandard**	**Doubtful**	**Loss**	**Total**
Loans secured by real estate:			(Dollars in thousands)			
Commercial real estate	$ 1,014,091	$ 4,686	$ 7,975	$ —	$ —	$ 1,026,752
Construction/land/land development	307,716	1,028	2,535	—	—	311,279
Residential real estate	405,137	167	8,922	—	—	414,226
Total real estate	1,726,944	5,881	19,432	—	—	1,752,257
Commercial and industrial loans	997,669	9,725	124,765	3,524		1,135,683
Mortgage warehouse lines of credit	201,997	—	—	—	—	201,997
Consumer loans	22,034	—	98	6	—	22,138
Total loans held for investment	$ 2,948,644	$ 15,606	$ 144,295	$ 3,530	$ —	$ 3,112,075

The following tables detail activity in the allowance for loan losses by portfolio segment. Allocation of a portion of the allowance to one category of loans does not preclude its availability to absorb losses in other categories.

	At and for the Year Ended December 31, 2017				
	Beginning balance	**Charge-offs**	**Recoveries**	**Provision[1]**	**Ending balance**
Loans secured by real estate:			(Dollars in thousands)		
Commercial real estate	$ 8,718	$ 463	$ 93	$ 650	$ 8,998
Construction/land/land development	2,805	3	5	143	2,950
Residential real estate	5,003	1,446	125	2,125	5,807
Commercial and industrial loans	33,590	21,767	1,918	5,090	18,831
Mortgage warehouse lines of credit	139	—	—	75	214
Consumer loans	276	198	69	136	283
Total	$ 50,531	$ 23,877	$ 2,210	$ 8,219	$ 37,083

[1] The provision for credit losses on the consolidated statements of income includes an $8.2 million loan loss provision and an $117,000 provision for off-balance sheet commitments for the year ended December 31, 2017.

	At and for the year ended December 31, 2016				
	Beginning balance	**Charge-offs**	**Recoveries**	**Provision (Benefit)[1]**	**Ending balance**
Loans secured by real estate:			(Dollars in thousands)		
Commercial real estate	$ 7,451	$ 422	$ 25	$ 1,664	$ 8,718
Construction/land/land development	3,927	24	7	(1,105)	2,805
Residential real estate	5,094	505	185	229	5,003
Commercial and industrial loans	23,648	24,851	4,199	30,594	33,590
Mortgage warehouse lines of credit	761	—	—	(622)	139
Consumer loans	349	604	126	405	276
Total	$ 41,230	$ 26,406	$ 4,542	$ 31,165	$ 50,531

[1] The provision for credit losses on the consolidated statements of income includes a $31.2 million loan loss provision offset by a $1.1 million release of provision for off-balance sheet commitments for the year ended December 31, 2016.

The following tables present impaired loans as of the periods indicated:

	December 31, 2017			
	Period end allowance allocated to loans individually evaluated for impairment	Period end allowance allocated to loans collectively evaluated for impairment	Period end loan balance individually evaluated for impairment	Period ended loan balance collectively evaluated for impairment [1]
Loans secured by real estate:	(Dollars in thousands)			
Commercial real estate	$ 312	$ 8,686	$ 4,945	$ 1,057,330
Construction/land/land development	4	2,946	1,963	320,441
Residential real estate	72	5,735	7,915	562,668
Commercial and industrial loans	4,356	14,475	24,598	959,011
Mortgage warehouse lines of credit	—	214	—	255,044
Consumer loans	63	220	237	20,268
Total	$ 4,807	$ 32,276	$ 39,658	$ 3,174,762

[1] Excludes $21.0 million and $5.6 million of commercial real estate loans and commercial and industrial loans, respectively, at fair value, which are not evaluated for impairment due to the fair value option election. See Note 5 - Fair Value of Financial Instruments for more information.

	December 31, 2016			
	Period end allowance allocated to loans individually evaluated for impairment	Period end allowance allocated to loans collectively evaluated for impairment	Period end loan balance individually evaluated for impairment	Period ended loan balance collectively evaluated for impairment [1]
Loans secured by real estate:	(Dollars in thousands)			
Commercial real estate	$ 32	$ 8,686	$ 6,214	$ 992,905
Construction/land/land development	251	2,554	929	310,350
Residential real estate	761	4,242	10,232	403,994
Commercial and industrial loans	12,437	21,153	76,756	1,052,867
Mortgage warehouse lines of credit	—	139	—	201,997
Consumer loans	112	164	287	21,851
Total	$ 13,593	$ 36,938	$ 94,418	$ 2,983,964

[1] Excludes $27.6 million and $6.1 million of commercial real estate loans and commercial and industrial loans, respectively, at fair value, which are not evaluated for impairment due to the fair value option election. See Note 5 - Fair Value of Financial Instruments for more information.

The following tables present the Company's loan portfolio aging analysis at December 31, 2017 and 2016:

	December 31, 2017						
	30-59 Days past due	60-89 Days past due	Loans past due 90 days or more	Total past due	Current loans	Total loans receivable	Accruing loans 90 or more days past due
Loans secured by real estate:			(Dollars in thousands)				
Commercial real estate	$ 8,427	$ 2,791	$ 1,150	$ 12,368	$ 1,070,907	$ 1,083,275	$ —
Construction/land/land development	1,488	172	464	2,124	320,280	322,404	—
Residential real estate	2,630	347	3,910	6,887	563,696	570,583	—
Total real estate	12,545	3,310	5,524	21,379	1,954,883	1,976,262	—
Commercial and industrial	1,517	9,922	8,074	19,513	969,707	989,220	—
Mortgage warehouse lines of credit	—	—	—	—	255,044	255,044	—
Consumer	178	128	74	380	20,125	20,505	—
Total	$ 14,240	$ 13,360	$ 13,672	$ 41,272	$ 3,199,759	$ 3,241,031	$ —

	December 31, 2016						
	30-59 Days past due	60-89 Days past due	Loans past due 90 days or more	Total past due	Current loans	Total loans receivable	Accruing loans 90 or more days past due
Loans secured by real estate:			(Dollars in thousands)				
Commercial real estate	$ 1,326	$ 28	$ 575	$ 1,929	$ 1,024,823	$ 1,026,752	$ —
Construction/land/land development	1,306	91	93	1,490	309,789	311,279	—
Residential real estate	3,429	2,440	4,396	10,265	403,961	414,226	—
Total real estate	6,061	2,559	5,064	13,684	1,738,573	1,752,257	—
Commercial and industrial	3,670	11,767	20,395	35,832	1,099,851	1,135,683	—
Mortgage warehouse lines of credit	—	—	—	—	201,997	201,997	—
Consumer	136	51	98	285	21,853	22,138	—
Total	$ 9,867	$ 14,377	$ 25,557	$ 49,801	$ 3,062,274	$ 3,112,075	$ —

The following tables present impaired loans at December 31, 2017 and 2016. No mortgage warehouse lines of credit were impaired at either December 31, 2017 or 2016.

	December 31, 2017				
	Unpaid contractual principal balance	Recorded investment with no allowance	Recorded investment with an allowance	Total recorded investment	Allocation of allowance for loan losses
Loans secured by real estate:			(Dollars in thousands)		
Commercial real estate	$ 6,047	$ 1,782	$ 3,163	$ 4,945	$ 312
Construction/land/land development	2,268	1,813	150	1,963	4
Residential real estate	10,024	6,750	1,165	7,915	72
Total real estate	18,339	10,345	4,478	14,823	388
Commercial and industrial	25,212	6,161	18,437	24,598	4,356
Consumer	259	141	96	237	63
Total impaired loans	$ 43,810	$ 16,647	$ 23,011	$ 39,658	$ 4,807

	December 31, 2016				
	Unpaid contractual principal balance	Recorded investment with no allowance	Recorded investment with an allowance	Total recorded investment	Allocation of allowance for loan losses
Loans secured by real estate:			(Dollars in thousands)		
Commercial real estate	$ 6,214	$ 6,121	$ 93	$ 6,214	$ 32
Construction/land/land development	929	678	251	929	251
Residential real estate	10,232	6,044	4,188	10,232	761
Total real estate	17,375	12,843	4,532	17,375	1,044
Commercial and industrial	80,158	38,497	38,259	76,756	12,437
Consumer	287	182	105	287	112
Total impaired loans	$ 97,820	$ 51,522	$ 42,896	$ 94,418	$ 13,593

The average recorded investment and interest recognized on impaired loans for the years ended December 31, 2017 and 2016 were as follows:

	December 31, 2017		December 31, 2016	
	Average Recorded Investment	Interest Income recognized	Average Recorded Investment	Interest Income recognized
Loans secured by real estate:		(Dollars in thousands)		
Commercial real estate	$ 7,046	$ 165	$ 7,179	$ 273
Construction/land/land development	1,053	10	1,179	55
Residential real estate	9,398	75	11,065	385
Total real estate	17,497	250	19,423	713
Commercial and industrial	40,316	375	94,940	3,139
Consumer	244	7	308	18
Total impaired loans	$ 58,057	$ 632	$ 114,671	$ 3,870

All interest accrued but not received for loans placed on nonaccrual status is reversed against interest income. Subsequent receipts on nonaccrual loans are recorded as a reduction of principal, and interest income is recorded only after principal recovery is reasonably assured. Loans are returned to accrual status when all the

principal and interest amounts contractually due are brought current and future payments are reasonably assured. Troubled debt restructurings are included in certain loan categories within impaired loans. At December 31, 2017, the Company has committed to advance $1.9 million in connection with impaired loans.

Non-performing (nonaccrual) loans were as follows:

	December 31,	
	2017	**2016**
Loans secured by real estate:	(Dollars in thousands)	
Commercial real estate	$ 1,745	$ 1,975
Construction/land/land development	1,097	816
Residential real estate loans	7,166	7,188
Total real estate	10,008	9,979
Commercial and industrial loans	13,512	56,372
Consumer loans	282	210
Total nonaccrual loans	$ 23,802	$ 66,561

For the years ended December 31, 2017 and 2016, gross interest income which would have been recorded had the nonaccruing loans been current in accordance with their original terms was $1.3 million and $1.6 million, respectively. No interest income was recorded on these loans while they were considered nonaccrual during the years ended December 31, 2017 or 2016.

The Company elects the fair value option for recording residential mortgage loans held for sale, and certain commercial real estate and commercial and industrial loans, in accordance with US GAAP. The Company had no loans on nonaccrual that were recorded using the fair value option election during 2017 or 2016.

The following is a summary of loans classified as troubled debt restructurings ("TDRs").

	December 31,	
	2017	**2016**
TDRs	(Dollars in thousands)	
Nonaccrual TDRs	$ 2,622	$ 10,900
Performing TDRs	14,234	4,225
Total	$ 16,856	$ 15,125
Specific reserves on TDRs	$ 1,252	$ 287

The following tables present the pre and post-modification balances of TDR modifications that occurred during the periods indicated:

	Year ended December 31, 2017				
	Pre-modification recorded balance	Term Concessions	Interest Rate Concessions	Combination	Total Modifications
Loans secured by real estate:			(Dollars in thousands)		
Commercial real estate	$ 2,071	$ 2,057	$ —	$ —	$ 2,057
Residential real estate	133	38	—	210	248
Total real estate	2,204	2,095	—	210	2,305
Commercial and industrial	10,799	9,882	—	40	9,922
Consumer loans	49	45	—	—	45
Total	$ 13,052	$ 12,022	$ —	$ 250	$ 12,272

	Year ended December 31, 2016				
	Pre-modification recorded balance	Term Concessions	Interest Rate Concessions	Combination	Total Modifications
Loans secured by real estate:			(Dollars in thousands)		
Commercial real estate	$ 398	$ 94	$ —	$ 206	$ 300
Residential real estate	129	—	—	96	96
Total real estate	527	94	—	302	396
Commercial and industrial	19,536	9,331	11	7	9,349
Consumer loans	22	21	—	—	21
Total	$ 20,085	$ 9,446	$ 11	$ 309	$ 9,766

During the year ended December 31, 2017, there was one loan restructured as a TDR with an outstanding principal balance of $241,000 that subsequently defaulted during the year. A payment default is defined as a loan that was 90 or more days past due. During the year ended December 31, 2016, there were 4 loans restructured as TDRs with a combined outstanding principal balance of $5.5 million that subsequently defaulted during the year. The modifications made during the years ended December 31, 2017 and 2016 did not significantly impact the Company's determination of the allowance for loan losses. Of the TDRs made during the years ended December 31, 2017 and 2016, all but one were on nonaccrual status prior to the modification, and none of the modifications involved forgiveness of principal. As a result, the current and future financial effects of the recorded balance of TDR loans that were restructured were not material. On an ongoing basis, the Company monitors the performance of the modified loans to their restructured terms. In the event of a subsequent default, the allowance for loan losses continues to be reassessed on the basis of an individual evaluation of the loan.

Note 5 - Fair Value of Financial Instruments

Fair value is defined by applicable accounting guidance as the price to sell an asset or transfer a liability in an orderly transaction between market participants in the principal market for the given asset or liability at the measurement date based on market conditions at that date. Certain assets and liabilities are recorded in the Company's financial statements at fair value. Some are recorded on a recurring basis and some on a non-recurring basis.

The Company utilizes fair value measurement to recorded fair value adjustments to certain assets and liabilities and to determine fair value disclosures. The determination of fair values of financial instruments often requires the use of estimates. In cases where quoted market values in an active market are not available, the

Company utilizes valuation techniques that are consistent with the market approach, the income approach and/or the cost approach to estimate the fair values of its financial instruments. Such valuation techniques are consistently applied.

A hierarchy for fair value has been established which categorizes the valuation techniques into three levels used to measure fair value. The three levels are as follows:

Level 1 - Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Fair value is based on significant other observable inputs which are generally determined based on a single price for each financial instrument provided to the Company by an applicable third-party pricing service and is based on one or more of the following:

- Quoted prices for similar, but not identical, assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are not active;
- Inputs other than quoted prices that are observable, such as interest rate and yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates;
- Other inputs derived from or corroborated by observable market inputs.

Level 3 - Prices or valuation techniques that require inputs that are both significant and unobservable in the market. These instruments are valued using the best information available, some of which is internally developed, and reflects the Company's own assumptions about the risk premiums that market participants would generally require and the assumptions they would use.

Transfers between levels are recognized as of the end of the reporting period. There were no transfers to or from Level 1 during the periods presented. Transfers between Level 2 and Level 3 are included in the summary of changes in Level 3 assets and liabilities measured at fair value on a recurring basis. During 2016, a subset of available for sale securities was transferred from Level 2 to Level 3 in the hierarchy, due to a change in the valuation approach. The new valuation approach utilizes a discounted cash flow methodology, whereas the prior approach utilized values of comparable securities in active markets.

Fair Values of Assets and Liabilities Measured on a Recurring Basis

The following tables summarize financial assets and financial liabilities measured at fair value on a recurring basis as of December 31, 2017 and 2016, segregated by the level of valuation inputs within the fair value hierarchy utilized to measure fair value. There were no changes in the valuation techniques during the 2017 period.

	December 31, 2017			
	Level 1	**Level 2**	**Level 3**	**Total**
	(Dollars in thousands)			
State and municipal securities	$ —	$ 87,963	$ 42,015	$ 129,978
Corporate bonds	—	3,136	—	3,136
Residential mortgage-backed securities	—	105,029	—	105,029
Residential collateralized mortgage obligations	—	166,389	—	166,389
Securities available for sale	—	362,517	42,015	404,532
Securities carried at fair value through income	—	—	12,033	12,033
Loans held for sale	—	32,768	—	32,768
Loans at fair value	—	—	26,611	26,611
Mortgage servicing rights	—	—	24,182	24,182
Other assets - derivatives	—	3,146	—	3,146
Total recurring fair value measurements - assets	$ —	$ 398,431	$ 104,841	$ 503,272
Other liabilities - derivatives	$ —	$ (3,320)	$ —	$ (3,320)
Total recurring fair value measurements - liabilities	$ —	$ (3,320)	$ —	$ (3,320)

	December 31, 2016			
	Level 1	**Level 2**	**Level 3**	**Total**
	(Dollars in thousands)			
State and municipal securities	$ —	$ 88,611	$ 43,858	$ 132,469
Residential mortgage-backed securities	—	106,021	—	106,021
Residential collateralized mortgage obligations	—	137,027	—	137,027
Securities available for sale	—	331,659	43,858	375,517
Securities carried at fair value through income	—	—	12,511	12,511
Loans held for sale	—	47,309	—	47,309
Loans at fair value	—	—	33,693	33,693
Mortgage servicing rights	—	—	29,385	29,385
Other assets - derivatives	—	5,225	—	5,225
Total recurring fair value measurements - assets	$ —	$ 384,193	$ 119,447	$ 503,640
Other liabilities - derivatives	$ —	$ (5,393)	$ —	$ (5,393)
Total recurring fair value measurements - liabilities	$ —	$ (5,393)	$ —	$ (5,393)

The changes in Level 3 assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2017 and 2016 are summarized as follows:

	Loans at Fair Value	MSRs	Securities Available for Sale	Securities at FV Through Income
	(Dollars in thousands)			
Balance at January 1, 2017	$ 33,693	$ 29,385	$ 43,858	$ 12,511
Gain (loss) recognized in earnings:				
Mortgage banking revenue	—	(6,014)	—	—
Other noninterest income	(712)	—	—	(97)
Gain (loss) recognized in AOCI	—	—	425	—
Purchases, issuances, sales, transfers and settlements:				
Purchases	—	3,061	275	—
Sales	(2,516)	(2,250)	—	—
Settlements	(3,854)	—	(2,543)	(381)
Balance at December 31, 2017	$ 26,611	$ 24,182	$ 42,015	$ 12,033
Balance at January 1, 2016	$ 38,110	$ 31,522	$ —	$ 13,044
Transfer to Level 3 from Level 2	—	—	43,858	—
Gain (loss) recognized in earnings:				
Mortgage banking revenue	—	(6,367)	—	—
Other noninterest income	(522)	—	—	(140)
Purchases, issuances, sales, and settlements:				
Purchases	—	4,230	—	—
Settlements	(3,895)	—	—	(393)
Balance at December 31, 2016	$ 33,693	$ 29,385	$ 43,858	$ 12,511

The following methodologies were used to measure the fair value of financial assets and liabilities valued on a recurring basis:

Securities Available for Sale

Estimated fair values for securities available for sale are based on quoted market prices where available. If quoted market prices are not available, estimated fair values are based on quoted market prices of comparable instruments or discounted cash flows using observable interest rate curves and observable credit spread inputs.

Securities classified as available for sale are reported at fair value utilizing Level 2 or Level 3 inputs. For Level 2 securities, the Company obtains fair value measurements from an independent pricing service. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, market consensus prepayment speeds, credit information and the security's terms and conditions, among other things. In order to ensure the fair values are consistent with ASC 820, Fair Value Measurements and Disclosures, the Company periodically checks the fair value by comparing them to another pricing source, such as Bloomberg. The third -party pricing service is subject to an annual review of internal controls (SSAE 16), which is made available to the Company. In certain cases where Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Mortgage Servicing Rights

The carrying amounts of the mortgage servicing rights equals fair value. See Note 8 - Mortgage Banking for more information on inputs.

Derivatives

Fair values for interest rate swap agreements are based upon the amounts that would be required to settle the contracts. Fair values for derivative loan commitments and forward loan sale commitments are based on fair values of the underlying mortgage loans and the probability of such commitments being exercised. Significant management judgment and estimation is required in determining these fair value measurements.

Fair Values of Assets Measured on a Recurring Basis for which the Fair Value Option has been Elected

Certain assets are measured at fair value on a recurring basis due to the Company's election to adopt fair value accounting treatment for those assets. This election allows for a more effective offset of the changes in fair values of the assets and the derivative instruments used to economically hedge them without the burden of complying with the requirements for hedge accounting under ASC 815, "Derivative and Hedging". The following tables summarize the difference between the fair value and the unpaid principal balance for financial instruments for which the fair value option has been elected:

	December 31, 2017		
	Aggregate Fair Value	Aggregate Unpaid Principal Balance	Difference
		(Dollars in thousands)	
Loans held for sale[1]	$ 32,768	$ 32,216	$ 552
Commercial and industrial loans held for investment	5,611	5,591	20
Commercial real estate loans held for investment	21,000	20,451	549
Securities carried at fair value through income	12,033	11,918	115
Total	$ 71,412	$ 70,176	$ 1,236

	December 31, 2016		
	Aggregate Fair Value	Aggregate Unpaid Principal Balance	Difference
		(Dollars in thousands)	
Loans held for sale[1]	$ 47,309	$ 47,233	$ 76
Commercial and industrial loans held for investment	6,059	5,920	139
Commercial real estate loans held for investment	27,633	26,438	1,195
Securities carried at fair value through income	12,511	12,298	213
Total	$ 93,512	$ 91,889	$ 1,623

(1) $2.4 million and $112,000 of loans were past due 90 days or more at December 31, 2017 and 2016, respectively. Of these balances, the Company has guarantees receivable from U.S. government agencies totaling $1.8 million and $112,000 at December 31, 2017 and 2016, respectively.

Changes in the fair value of assets for which the Company elected the fair value option are classified in the income statement line items reflected in the following table:

	Year Ended December 31,	
	2017	2016
	(Dollars in thousands)	
Changes in fair value included in noninterest income:		
Mortgage banking revenue	$ 477	$ (594)
Other income:		
Loans at fair value held for investment	$ (712)	$ (522)
Securities carried at fair value through income	(97)	(140)
Total impact on other income	(809)	(662)
Total fair value option impact on noninterest income	$ (332)	$ (1,256)

The following methodologies were used to measure the fair value of financial assets valued on a recurring basis for which the fair value option was elected:

Securities at Fair Value through Income

Securities carried at fair value through income are valued using a discounted cash flow with a credit spread applied to each instrument based on the credit worthiness of each issuer. Credit spreads ranged from 126 to 227 basis points at December 31, 2017. Credit spreads ranged from 83 to 227 basis points at December 31, 2016.

Loans Held for Sale

Fair values for loans held for sale are established using anticipated sale prices for loans allocated to a sale commitment, and those unallocated to a commitment are valued based on the interest rate and term for similar loans allocated.

Loans Held for Investment

For loans held for investment for which the fair value option has been elected, fair values are calculated using a discounted cash flow model with inputs including observable interest rate curves and unobservable credit adjustment spreads based on credit risk inherent in the loan. Credit spreads ranged from 283 to 413 basis points at December 31, 2017 and 2016.

Fair Values of Financial Instruments Not Measured at Fair Value

Accounting guidance from the FASB requires the disclosure of estimated fair value information about certain on- and off-balance sheet financial instruments, including those financial instruments that are not measured and reported at fair value on a recurring basis. The significant methods and assumptions used by the Company to estimate the fair value of financial instruments are discussed below.

Cash and Cash Equivalents and Time Deposits in Banks

The carrying amounts for cash and cash equivalents and time deposits in banks approximate their fair value.

Non-marketable Equity Securities Held in Other Financial Institutions

The carrying amounts of the investments approximate fair value.

Securities Held to Maturity

Estimated fair values for securities held to maturity are based on quoted market prices where available. If quoted market prices are not available, estimated fair values are based on quoted market prices of comparable instruments or discounted cash flows using observable interest rate curves and observable credit spread inputs.

Accrued Interest and Loan Fees Receivable

Accrued interest receivable represents interest on loans and investments. Accrued interest payable represents interest on deposits and borrowings. The carrying amount of accrued interest receivable and payable approximates fair value. Loan fees receivable represents fees assessed on loans.

Loans

For loans held for investment, fair values are estimated for portfolios of loans that have similar financial characteristics. Loans are segregated by type and maturity. Each loan category is further segmented into fixed and adjustable rate interest terms.

The fair value of performing loans is calculated by discounting scheduled cash flows through the estimated maturity using estimated market discount rates that reflect the credit and interest rate risk inherent in the loan. The estimate of maturity is based on the Company's historical experience with repayments for each loan classification, modified, as required, by an estimate of the effect of current economic and lending conditions. For purposes of estimating fair value, loans with a remaining maturity of three months or less and adjustable rate loans are assumed to be carried at approximate fair value due to re-pricing at current market rates.

Deposits

The carrying amount of noninterest-bearing deposits approximates fair value. The fair value of interest-bearing deposits is based on the discounted value of contractual cash flows. The discount rate is estimated using the rates currently offered for deposits of similar remaining maturities by the Company and comparable institutions.

Short-Term Borrowings

The carrying amounts of federal funds purchased, borrowings under repurchase agreements, and other short-term borrowings maturing within ninety days approximate their fair values.

Long-Term Borrowings

The fair value of the long-term advances from the FHLB is calculated using market interest rates currently available to the Company and comparable institutions for debt with similar terms and remaining maturities.

Junior Subordinated Debentures

The fair value is calculated using the discounted value of future cash flows which include market interest rates currently available to the Company and comparable institutions for debt with similar terms and remaining maturities.

Outstanding Commitments

Outstanding commitments include commitments to extend credit, letters of credit and unadvanced lines of credit for which fair values were estimated based on an analysis of the interest rates and fees currently charged to enter into similar transactions. The estimated fair value of these commitments was not material at December 31, 2017.

The carrying value and estimated fair values of financial instruments not measured at fair value are as follows:

	December 31, 2017		December 31, 2016	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
	(Dollars in thousands)			
Financial assets:				
Level 1 inputs:				
Cash and cash equivalents	$ 187,187	$ 187,187	$ 259,883	$ 259,883
Level 2 inputs:				
Securities held to maturity	20,188	20,265	20,710	20,995
Non-marketable equity securities held in other financial institutions	22,967	22,967	19,675	19,675
Accrued interest and loan fees receivable	10,719	10,719	9,518	9,518
Level 3 inputs:				
Loans held for investment, net[(1)]	3,177,337	3,238,872	3,027,851	3,064,512
Financial liabilities:				
Level 2 inputs:				
Deposits	3,512,014	3,352,213	3,443,266	3,436,460
Overnight repurchase agreements with depositors	36,178	36,178	33,445	33,445
Long-term borrowings	75,604	76,577	76,898	76,063
Junior subordinated debentures	9,619	14,132	9,596	14,357
Accrued interest payable	2,424	2,424	2,845	2,845

(1) Loans held for investment, net does not include $26.6 million or $33.7 million of loans held at fair value at December 31, 2017 or 2016, respectively.

Fair Value of Assets Measured on a Nonrecurring Basis

Collateral Dependent Impaired Loans

Loans for which it is probable that the Company will not collect all principal and interest due according to contractual terms are measured for impairment. Allowable methods for determining the amount of impairment include estimating fair value using the fair value of the collateral for collateral-dependent loans. If the impaired loan is identified as collateral-dependent, the fair value method of measuring the amount of impairment is utilized. This method requires obtaining a current independent appraisal of the collateral and applying a discount factor to the value. Impaired loans that are collateral-dependent are classified within Level 3 of the fair value hierarchy when impairment is determined using the fair value method. The fair value of impaired loans with specific allocated losses was $18.2 million and $33.1 million at December 31, 2017 and 2016, respectively.

Non-Financial Assets

Foreclosed assets held for sale are the only non-financial assets valued on a non-recurring basis which are initially recorded by the Company at fair value, less estimated costs to sell. At foreclosure, if the fair value, less estimated costs to sell, of the real estate acquired is less than the Company's recorded investment in the related loan, a write-down is recognized through a charge to the allowance for loan losses. Additionally, valuations are periodically performed by management and any subsequent reduction in value is recognized by a charge to income. The fair value of foreclosed assets held for sale is estimated using Level 3 inputs based on observable market data and was $499,000 and $1.6 million at December 31, 2017 and 2016, respectively. At December 31, 2017, the Company had $2.7 million in residential mortgage loans in the process of foreclosure.

Note 6 - Premises, Equipment, and Lease Commitments

Major classifications of premises and equipment are summarized below:

	December 31,	
	2017	**2016**
	(Dollars in thousands)	
Land, buildings and improvements	$ 84,468	$ 86,941
Furniture, fixtures and equipment	25,349	29,260
Leasehold improvements	9,673	10,560
Construction in process	296	3,287
	119,786	130,048
Accumulated depreciation	(42,378)	(43,309)
Total	$ 77,408	$ 86,739

During 2017, the Company sold two tracts of bank-owned land in the Dallas-Fort Worth metroplex ("DFW") for a net gain of $1.5 million. At December 31, 2017, the Company holds a tract of land for sale in Shreveport which is reflected in land, building and improvements at $2.7 million and a closed banking center in the DFW area reflected in other real estate owned at $267,000.

The following schedule presents the Company's capital leases:

	December 31,	
	2017	**2016**
	(Dollars in thousands)	
Gross book value	$ 1,665	$ 1,665
Accumulated amortization (included as a component of accumulated depreciation)	(963)	(722)
Net book value	$ 702	$ 943
Capital lease obligations	$ 758	$ 999

The Company also leases certain real estate for its banking premises, as well as certain equipment, under non-cancelable operating leases that expire at various dates through 2037. Management expects that, in the normal course of business, most leases that expire will be renewed or replaced by other similar leases. The Company recognizes escalating lease payments on a straight-line basis over the term of each respective lease with the difference between cash payment and rent expense recognized being recorded as deferred rent (included in accrued expenses and other liabilities) in the accompanying consolidated balance sheets.

Depreciation expense for premises and equipment totaled $5.3 million and $6.4 million for the years ended December 31, 2017 and 2016, respectively.

Minimum future lease obligations for capital and operating leases at December 31, 2017, were as follows:

Year ended December 31,	Capital Leases	Operating Leases
	(Dollars in thousands)	
2018	$ 276	$ 4,448
2019	276	3,820
2020	253	3,667
2021	—	3,294
2022	—	2,953
Thereafter	—	10,106
Total	805	28,288
Less amounts representing interest	47	—
Total lease obligations	$ 758	$ 28,288

Total lease and rental expense for the years ended December 31, 2017 and 2016 was $4.2 million and $4.0 million, respectively, and was included in occupancy and equipment, net in the accompanying consolidated statements of income.

Note 7 - Goodwill and Other Intangible Assets, Net

The components of the Company's goodwill and other intangible assets are as follows:

	Weighted Avg. Remaining Useful Life (Yrs.)	Gross	Accumulated Amortization	Net
As of December 31, 2017		(Dollars in thousands, except year data)		
Goodwill	—	$ 22,192	$ —	$ 22,192
Other intangible assets:				
Core deposit intangibles	4.3	1,260	(754)	506
Relationship based intangibles	10.8	3,996	(2,358)	1,638
Total		$ 27,448	$ (3,112)	$ 24,336
As of December 31, 2016				
Goodwill	—	$ 22,192	$ —	$ 22,192
Other intangible assets:				
Core deposit intangibles	5.3	1,846	(1,103)	743
Relationship based intangibles	11.8	3,996	(2,077)	1,919
Total		$ 28,034	$ (3,180)	$ 24,854

There were no changes to the carrying amount of the Company’s goodwill during the years ended December 31, 2017 and 2016. Amortization expense on other intangible assets totaled $518,000 and $1.5 million for the years ended December 31, 2017 and 2016, respectively, and was included as a component of other noninterest expense in the consolidated statements of income.

Estimated future amortization expense for intangible assets remaining at December 31, 2017 was as follows:

Year ended December 31,	(Dollars in thousands)
2018	$ 417
2019	335
2020	276
2021	218
2022	159
Thereafter	739
Total	$ 2,144

Note 8 - Mortgage Banking

The following table presents the Company's mortgage banking operations:

	Years ended December 31,	
	2017	**2016**
Revenue:	(Dollars in thousands)	
Origination	$ 1,281	$ 1,312
Gain on sale of loans held for sale	11,249	12,522
Servicing	7,873	8,146
MSR change due to payoffs/paydowns	(4,005)	(4,425)
Total	16,398	17,555
MSR and hedge fair value adjustment[(1)]	(592)	(2,686)
Mortgage banking revenue	$ 15,806	$ 14,869
Origination volume	$ 500,234	$ 745,320
Mortgage loans sold	517,326	754,667
Outstanding principal balance of mortgage loans serviced at year-end[(2)]	2,183,944	2,497,602

(1) The Company recorded a $343,000 write-down to MSR assets sold in 2017, which is included in this line.
(2) Included in the outstanding principal balance of mortgage loans serviced at December 31, 2017 and 2016 were loans serviced for the Company by others of $56.5 million and $64.4 million, respectively.

Management uses mortgage-backed securities to mitigate impact of changes in fair value of MSRs on the consolidated statements of income. See Note 11 - Derivative Financial Instruments for further information. Changes in MSRs related to fair value are recorded in mortgage banking revenue in the consolidated statements of income.

Mortgage Servicing Rights ("MSRs")

Activity in MSRs was as follows:

	Years ended December 31,	
	2017	**2016**
	(Dollars in thousands)	
Balance at beginning of period	$ 29,385	$ 31,522
Origination of servicing rights	3,061	4,230
Change in fair value, including amortization	(6,014)	(6,367)
Sale of servicing rights	(2,250)	—
Balance at end of period	$ 24,182	$ 29,385

The significant assumptions used to value MSRs were as follows:

	December 31,	
	2017	**2016**
Prepayment speed	10.80%	9.93%
Discount rate	9.33	8.82
Periodic servicing costs per loan	$ 76.22	$ 74.36

In recent years, there have been significant market-driven fluctuations in these assumptions listed above. These fluctuations can be rapid and may continue to be significant. Therefore, estimating these assumptions within ranges that market participants would use in determining the fair value of MSRs requires significant management judgment.

The Company receives annual servicing fee income approximating 0.29% of the outstanding balance of the underlying loans. In connection with the Company's activities as a servicer of mortgage loans, the investors and the securitization trusts have no recourse to the Company's assets for failure of debtors to pay when due.

The Company is potentially subject to losses in its loan servicing portfolio due to loan foreclosures. The Company has obligations to either repurchase the outstanding principal balance of a loan or make the purchaser whole for the economic benefits of a loan if it is determined that the loan sold was in violation of representations or warranties made by it at the time of the sale, herein referred to as mortgage loan servicing putback expenses. Such representations and warranties typically include those made regarding loans that had missing or insufficient file documentation and/or loans obtained through fraud by borrowers or other third parties. Putback requests may be made until the loan is paid in full. When a putback request is received, the Company evaluates the request and takes appropriate actions based on the nature of the request. The Company is required by Federal National Mortgage Association and Federal Home Loan Mortgage Corporation to provide a response to putback requests within 60 days of the date of receipt.

The total mortgage loan servicing putback expenses incurred by the Company were $106,000 and $83,000 for the years ended December 31, 2017 and 2016, respectively. At December 31, 2017 and December 31, 2016, the reserve for mortgage loan servicing putback expenses totaled $254,000 and $226,000, respectively. There is inherent uncertainty in reasonably estimating the requirement for reserves against future mortgage loan servicing putback expenses. Future putback expenses are dependent on many subjective factors, including the review procedures of the purchasers and the potential refinance activity on loans sold with servicing released and the subsequent consequences under the representations and warranties.

Government National Mortgage Association ("GNMA") optional repurchase programs allow financial institutions to buy back individual delinquent mortgage loans that meet certain criteria from the securitized loan pool for which the institution provides servicing. At the servicer's option and without GNMA's prior authorization, the

servicer may repurchase such a delinquent loan for an amount equal to 100 percent of the remaining principal balance of the loan. This buy-back option is considered a conditional option until the delinquency criteria are met, at which time the option becomes unconditional. When the Company is deemed to have regained effective control over these loans under the unconditional buy-back option, the loans can no longer be reported as sold and must be brought back onto the balance sheet as mortgage loans held for sale, regardless of whether the Company intends to exercise the buy-back option. These loans are reported as held for sale at amortized cost with the offsetting liability being reported in other miscellaneous liabilities. The balance included in mortgage loans held for sale and other miscellaneous liabilities at December 31, 2017 and December 31, 2016 was $32.6 million and $23.5 million, respectively.

Note 9 - Deposits

Deposit balances are summarized as follows:

	At December 31,	
	2017	**2016**
	(Dollars in thousands)	
Noninterest-bearing demand	$ 832,853	$ 780,065
Interest bearing demand	738,967	788,936
Money market	900,039	793,016
Brokered	276,214	295,403
Savings	144,848	136,905
Time deposits	619,093	648,941
Total Deposits	$ 3,512,014	$ 3,443,266

Municipal deposits totaled $339.9 million and $334.9 million at December 31, 2017 and 2016, respectively.

Included in time deposits at December 31, 2017 and 2016, are $224.8 million and $243.5 million, respectively, of time deposits in denominations of $250,000 or more.

Maturities of time deposits are as follows:

Year ended December 31,	(Dollars in thousands)
2018	$ 345,586
2019	133,587
2020	75,339
2021	28,075
2022	36,506
	$ 619,093

At December 31, 2017 and 2016, overdrawn deposits of $640,000 and $1.0 million, respectively, were reclassified as unsecured loans.

Note 10 - Borrowings

Borrowed funds are summarized as follows:

	December 31,	
	2017	2016
	(Dollars in thousands)	
Overnight repurchase agreements with depositors	$ 36,178	$ 33,445
Long-term FHLB advances	75,604	76,898
Total FHLB advances and repurchase agreements	$ 111,782	$ 110,343
Junior subordinated debentures	$ 9,619	$ 9,596

Short-Term Borrowings

As of December 31, 2017 and 2016, the Company had unsecured lines of credit for the purchase of federal funds in the amount of $125.0 million and $80.0 million respectively, with no amounts outstanding at either date. It is customary for the financial institutions granting the unsecured credit lines to require a minimum amount of cash be held on deposit at that institution. Amounts required to be held on deposit are typically $250,000 or less, and the Company has complied with all compensating balance requirements to allow utilization of these lines.

Securities sold under agreements to repurchase consist of the Company's obligations to other parties and mature on a daily basis. These obligations to other parties carried a daily average interest rate of 0.29% and 0.28% for the years ended December 31, 2017 and 2016, respectively.

Long-Term Borrowings

Interest rates for FHLB long-term advances outstanding at December 31, 2017 and December 31, 2016, ranged from 1.99% to 5.72%, and these advances are subject to restrictions or penalties in the event of prepayment.

Scheduled maturities of long-term advances from the FHLB at December 31, 2017 are as follows:

Year ended December 31,	(Dollars in thousands)
2018	$ 50,540
2019	847
2020	1,127
2021	1,167
2022	2,619
Thereafter	19,304
	$ 75,604

As of December 31, 2017, the Company held 14 unfunded letters of credit from the FHLB totaling $230.1 million with expiration dates ranging from January 11, 2018 to February 15, 2019. As of December 31, 2016, the Company held 12 unfunded letters of credit from the FHLB totaling $170.7 million with expiration dates ranging from January 23, 2017 to February 2, 2018.

Security for all indebtedness and outstanding commitments to the FHLB consists of a blanket floating lien on all of the Company's first mortgage loans, commercial real estate and other real estate loans, as well as the Company's investment in capital stock of the FHLB and deposit accounts at the FHLB. The net amounts available under the blanket floating lien as of December 31, 2017 and 2016 were $649.0 million and $627.6 million, respectively.

Junior Subordinated Debentures

The Company has two wholly-owned, unconsolidated subsidiary grantor trusts that were established for the purpose of issuing trust preferred securities. The trust preferred securities accrue and pay distributions periodically at specified annual rates as provided in each trust agreement. The trusts used the net proceeds from each of the offerings to purchase a like amount of junior subordinated debentures (the "debentures") of the Company. The debentures are the sole assets of the trusts. The Company's obligations under the debentures and related documents, taken together, constitute a full and unconditional guarantee by the Company of the obligations of the trusts. The trust preferred securities are mandatorily redeemable upon maturity of the debentures, or upon earlier redemption as provided in the indentures. The Company has the right to redeem the debentures, in whole or in part on or after specific dates, at a redemption price specified in the indentures governing the debentures plus any accrued but unpaid interest to the redemption date. Due to the extended maturity date of the trust preferred securities, they are included in Tier I capital for regulatory purposes, subject to certain limitations.

The following table is a summary of the terms of the current debentures at December 31, 2017:

Issuance Trust	Issuance Date	Maturity Date	Amount Outstanding	Rate Type	Current Rate	Maximum Rate
			(Dollars in thousands)			
CTB Statutory Trust I	07/2001	07/2031	$ 6,702	Variable [1]	4.68%	12.50%
First Louisiana Statutory Trust I	09/2006	12/2036	4,124	Variable [2]	3.39%	16.00%
			$ 10,826			

[1] The trust preferred securities reprice quarterly based on the three-month LIBOR plus 3.30%, with the last reprice date on October 27, 2017.
[2] The trust preferred securities reprice quarterly based on the three-month LIBOR plus 1.80%, with the last reprice date on December 13, 2017.

The amounts of the debentures outstanding varies from the amounts carried on the consolidated balance sheet due to the remaining purchase discount of $1.2 million at both December 31, 2017 and 2016, which was established with the acquisition of the issuer of the First Louisiana Statutory Trust I securities, and which is being amortized over the remaining life of the securities using the interest method.

Note 11 - Derivative Financial Instruments

Risk Management Objective of Using Derivatives

The Company enters into derivative financial instruments to manage risks related to differences in the amount, timing, and duration of the Company's known or expected cash receipts and its known or expected cash payments, as well as to manage changes in fair values of some assets which are marked at fair value through the income statement on a recurring basis.

Cash Flow Hedges of Interest Rate Risk

The Company is a party in interest rate swap agreements under which the Company receives interest at a variable rate and pays at a fixed rate. This derivative instrument represented by this swap agreement is designated as a cash flow hedge of the Company's forecasted variable cash flows under a variable-rate term borrowing agreement. During the term of the swap agreement, the effective portion of changes in the fair value of the derivative instrument are recorded in accumulated other comprehensive income and subsequently reclassified into earnings in the periods that the hedged forecasted variable-rate interest payments affected earnings. There was no ineffective portion of the change in fair value of the derivative recognized directly in earnings. The entire swap fair value will be reclassified into earnings before the expiration date.

Derivatives Not Designated as Hedges

Customer Interest Rate Derivative Program

The Company offers certain derivatives products, primarily interest rate swaps, directly to qualified commercial banking customers to facilitate their risk management strategies. In some instances, the Company acts only as an intermediary, simultaneously entering into offsetting agreements with unrelated financial institutions, thereby mitigating its net risk exposure resulting from such transactions and not significantly impacting its results of operations. Because the interest rate derivatives associated with this program do not meet hedge accounting requirements, changes in the fair value of both the customer derivatives and any offsetting derivatives are recognized directly in earnings as a component of noninterest income.

Mortgage Banking Derivatives

The Company enters into certain derivative agreements as part of its mortgage banking and related risk management activities. These agreements include interest rate lock commitments on prospective residential mortgage loans and forward commitments to sell these loans to investors on a mandatory delivery basis. The Company also economically hedges the value of MSRs by entering into a series of commitments to purchase mortgage-backed securities in the future.

Fair Values of Derivative Instruments on the Balance Sheet

The following tables disclose the fair value of derivative instruments in the Company's balance sheets as of December 31, 2017 and 2016, as well as the effect of these derivative instruments on the Company's consolidated statements of income for the years ended December 31, 2017 and 2016:

		Notional Amounts		Fair Values	
		December 31,		December 31,	
	Hedge Type	2017	2016	2017	2016
Derivatives designated as hedging instruments:			(Dollars in thousands)		
Interest rate swaps included in other assets (liabilities)	Cash Flow	$ 10,500	$ 10,500	$ 41	$ (65)
Derivatives not designated as hedging instruments:					
Interest rate swaps included in other assets	NA	$ 132,959	$ 107,115	$ 2,314	$ 3,642
Interest rate swaps included in other liabilities	NA	159,479	151,722	(3,221)	(5,328)
Forward commitments to purchase mortgage-backed securities included in other assets (liabilities)	NA	160,000	330,000	(50)	159
Forward commitments to sell residential mortgage loans included in other assets (liabilities)	NA	57,400	80,229	(49)	662
Interest rate-lock commitments on residential mortgage loans included in other assets	NA	37,072	50,660	791	762
		$ 546,910	$ 719,726	$ (215)	$ (103)

The weighted-average rates paid and received for interest rate swaps outstanding at December 31, 2017, were as follows:

	Weighted-Average	
	Interest Rate Paid	**Interest Rate Received**
Interest rate swaps:	(Dollars in thousands)	
Cash flow hedges	4.81%	4.19%
Non-hedging interest rate swaps - financial institution counterparties	4.81	3.45
Non-hedging interest rate swaps - customer counterparties	3.54	4.89

Gains and losses recognized on derivative instruments not designated as hedging instruments are as follows:

	Years Ended December 31,	
	2017	**2016**
Derivatives not designated as hedging instruments:	(Dollars in thousands)	
Amount of loss recognized in mortgage banking revenue	$ (259)	$ (2,570)
Amount of gain recognized in other noninterest income	707	842

Some interest rate swaps included in other assets were subject to a master netting arrangement with the counterparty in all years presented and could be offset against some amounts included in interest rate swaps included in other liabilities. The Company has chosen not to net these exposures in the consolidated balance sheets, and any impact of netting these amounts would not be significant.

At December 31, 2017 and December 31, 2016, the Company had cash collateral on deposit with swap counterparties totaling $7.0 million and $13.3 million, respectively. These amounts are included in interest-bearing deposits in banks in the consolidated balance sheets.

Note 12 - Stock and Incentive Compensation Plans

The Company has granted, and currently has outstanding, stock and incentive compensation awards subject to the provisions of the 2012 Stock Incentive Plan (the "2012 Plan"). Additionally, awards have been issued prior to the establishment of the 2012 Plan, some of which are still outstanding. The 2012 Plan is designed to provide flexibility to the Company regarding its ability to motivate, attract and retain the services of key officers, employees and directors. The 2012 Plan allows the Company to make grants of dividend equivalent rights, incentive stock options, non-qualified stock options, performance unit awards, restricted stock awards, restricted stock units and stock appreciation rights. At December 31, 2017, the maximum number of shares of the Company's common stock available for issuance under the 2012 Plan was 1,137,672 shares.

Share-based compensation cost charged to income for the years ended December 31, 2017 and 2016 is presented below:

	Years ended December 31,	
	2017	**2016**
	(Dollars in thousands)	
Restricted stock	$ 1,180	$ 1,082
Stock options[(1)]	(30)	465
Total stock compensation expense	$ 1,150	$ 1,547
Related tax benefits recognized in net income	$ 403	$ 541

(1) Stock option expense for the year ended December 31, 2017 included expense reversal related to 16,638 stock options forfeited during the period. All remaining stock options became fully vested during the first quarter of 2017.

Stock Option Grants

The Company issues common stock options to select officers and employees through individual agreements and as a result of obligations assumed in association with negotiated mergers. As a result, both incentive and nonqualified stock options have been issued and may be issued in the future. The exercise price of each option varies by agreement and is based on either the fair value of the stock at the date of the grant in circumstances where option grants occurred or based on the previously committed exercise price in the case of options acquired through merger. No outstanding stock option has a term that exceeds twenty years. Vesting periods range from immediate to ten years from the date of grant or merger. The Company recognizes compensation cost for stock option grants over the required service period based upon the grant date fair-value, which is established using a Black-Scholes valuation model. The Black-Scholes valuation model uses assumptions of risk-free interest rate, expected term of stock options, expected stock price volatility and expected dividends. Forfeitures are recognized as they occur. The Company did not grant any stock options during 2017 or 2016.

The table below summarizes the status of the Company's stock options and changes during the years ended December 31, 2017 and 2016. Prior year share amounts have been adjusted to reflect a stock split that occurred on October 5, 2016:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value[1]
Year Ended December 31, 2016	(Dollars in thousands, except share and per share data)			
Outstanding at January 1, 2016	531,922	$ 11.69	6.39	$ 7,322
Exercised	(169,000)	12.34	—	1,633
Expired	(4,284)	12.29	—	—
Outstanding at December 31, 2016	358,638	11.37	7.79	3,844
Year Ended December 31, 2017				
Outstanding at January 1, 2017	358,638	$ 11.37	7.79	$ 3,844
Exercised	(22,500)	12.29	—	304
Forfeited	(16,638)	23.89	—	—
Outstanding at December 31, 2017	319,500	10.65	7.07	4,840
Exercisable at December 31, 2017	319,500	10.65	7.07	4,840

(1) The intrinsic value for stock options is calculated based on the difference between the weighted average exercise price of the underlying awards and the weighted average market price of the Company's common stock calculated over thirty days immediately prior to the reporting date.

During the year ended December 31, 2017, stock options representing 22,500 shares of common stock were exercised, of which, 12,500 options were exercised in a partial cashless exercise. As a result, 7,900 shares were surrendered to cover a portion of the exercise price and recipient's tax liability, and a total of 14,600 common stock shares were issued.

During the year ended December 31, 2016, stock options representing 169,000 shares of common stock were exercised, of which, 109,000 options were exercised as part of a cashless exercise. As a result, 74,929 shares were surrendered to cover the exercise price and recipient's tax liability, and a total of 94,071 common shares were issued.

There were no stock options granted during the years ended December 31, 2017 or 2016.

Restricted Stock Grants

The Company's restricted stock grants are time-vested awards and are granted to the Company's Board of Directors, executives and senior management team. The service period in which time-vested awards are earned ranges from one to five years. Time-vested awards are valued utilizing the fair value of the Company's stock at the grant date. These awards are recognized on the straight-line method over the requisite service period, with forfeitures recognized as they occur.

The following table summarizes the Company's time-vested award activity:

	Years Ended December 31,			
	2017		2016	
	Shares	Weighted Average Grant-Date Fair Value	Shares	Weighted Average Grant-Date Fair Value
Nonvested shares, January 1,	84,019	$ 24.22	102,012	$ 24.56
Granted	35,913	25.14	31,477	23.19
Vested	(55,003)	24.39	(43,770)	24.19
Forfeited	(3,636)	24.12	(5,700)	24.69
Nonvested shares, December 31,	61,293	$ 24.61	84,019	$ 24.22

During the year ended December 31, 2017, award recipients surrendered 11,843 shares to cover taxes owed upon the vesting of restricted stock awards. During the year ended December 31, 2016, award recipients surrendered 6,828 shares to cover taxes owed upon the vesting of restricted stock awards.

As of December 31, 2017, there was $1.2 million of total unrecognized compensation cost related to non-vested restricted shares awarded under the Company's stock plan. That cost is expected to be recognized over a weighted average period of 2.03 years.

Note 13 - Employee Stock Ownership Plan

Defined Contribution Benefit Plan

The Company maintains a leveraged Employee Stock Ownership Plan that is a defined contribution benefit plan containing provisions of section 401(k) of the Internal Revenue Service. The ESOP covers substantially all employees who have been employed 90 days and meet certain other requirements and employment classification criteria. Dividends on unallocated ESOP shares are allocated to the outstanding ESOP note payable and dividends paid on allocated shares are paid to participant accounts. Under the provisions of the ESOP, the Company matches 50% of the first 6% of eligible compensation deferred by a participant. Eligible compensation includes salaries, wages, overtime and bonuses, and excludes expense reimbursements and fringe benefits. In addition, the Company may make additional contributions out of current or accumulated net profit of an amount determined by the Company's Board of Directors. Company matching contributions are made 100% in the stock of the Company. The total of the Company's contributions may not exceed limitations set forth in the Plan document or the maximum deductible under the Internal Revenue Code. The ESOP provides participants the right to sell their shares of the Company's stock within the ESOP back to the Company in the event they are no longer employed by the Company. The fair value of the shares by the ESOP at December 31, 2017 and 2016 was $35.0 million and $28.6 million, respectively.

Shares held by the ESOP and allocated to participants were 1,151,030 and 1,107,131 at December 31, 2017 and 2016, respectively. There were no unallocated shares held by the ESOP at December 31, 2017 or 2016.

Although it has not expressed any intention to do so, the Company has the right to terminate the ESOP at any time. The total expense related to the ESOP, including optional contributions, was $1.4 million for both the years ended December 31, 2017 and 2016.

The fair value of shares of common stock held by the ESOP are deducted from permanent shareholders’ equity in the consolidated balance sheets and reflected in a line item below liabilities and above shareholders’ equity. This presentation is necessary in order to recognize the put option within the ESOP-owned shares, consistent with SEC guidelines, that is present as long as the Company is not publicly traded. The Company uses a valuation by an external third party to determine the maximum possible cash obligation related to those securities. Increases or decreases in the value of the cash obligation are included in a separate line item in the statements of changes in

shareholders' equity. The fair value of allocated shares subject to this repurchase obligation totaled $35.0 million and $28.6 million at December 31, 2017 and 2016, respectively.

Other Benefit Plans

The Company has established deferred compensation plans for some of its key executives for which deferred compensation liabilities are recorded as a component of accrued expenses and other liabilities in the accompanying consolidated balance sheets. The deferred compensation liability as of December 31, 2017 and December 31, 2016 was $8.3 million and $7.5 million, respectively. The expense recorded for the deferred compensation plan totaled $1.1 million and $1.4 million for the years ended December 31, 2017 and 2016, respectively.

Note 14 - Income Taxes

The provision for income taxes is as follows:

	Years Ended December 31,	
	2017	**2016**
Federal income taxes:	(Dollars in thousands)	
Current	$ 715	$ 1,321
Deferred	4,644	1,532
State income taxes:		
Current	167	195
Deferred	287	(132)
Income tax expense	$ 5,813	$ 2,916

The Tax Cuts and Jobs Act, enacted on December 22, 2017, reduced the U.S. federal corporate tax rate from 35% to 21% effective January 1, 2018. The Company remeasured certain deferred tax assets and liabilities based on the rates at which they are expected to reverse in the future, which is generally 21%. However, management is still analyzing certain aspects of the Act and refining the Company's calculations, which could potentially affect the measurement of these balances or potentially give rise to new deferred tax amounts. The amount recorded as a component of income tax expense related to the remeasurement of our deferred tax balance was $2.0 million. In addition, the Company's estimates may also be affected as management gains a more thorough understanding of the tax law, however such changes are not expected to be significant.

A reconciliation of income tax expense at the statutory rate to the Company's actual income tax expense is shown below:

	Years Ended December 31,			
	2017		2016	
	Amount	%	Amount	%
	(Dollars in thousands)			
Income taxes computed at statutory rate	$ 7,169	35.00 %	$ 5,518	35.00 %
Tax exempt revenue, net of nondeductible interest	(1,629)	(7.95)	(1,717)	(10.89)
Low-income housing tax credits, net of amortization	(624)	(3.05)	(936)	(5.94)
Other tax credits, net of add-backs	(1,002)	(4.89)	(1,002)	(6.36)
Bank-owned life insurance income	(221)	(1.08)	(248)	(1.57)
State income taxes, net of federal benefit	186	0.91	40	0.26
Stock-based compensation	(80)	(0.39)	(461)	(2.92)
Deferred tax asset and income tax receivable true-up	—	—	2,468	15.65
Return to provision adjustment	(241)	(1.17)	(1,026)	(6.51)
Deferred tax write-down for enacted tax rate changes	1,972	9.63	—	—
Other	283	1.37	280	1.78
Total income tax expense	$ 5,813	28.38 %	$ 2,916	18.50 %

As a result of the Tax Cuts and Jobs Act, deferred taxes as of December 31, 2017 are based on the newly enacted U.S. statutory federal income tax rate of 21%. Deferred taxes as of December 31, 2016 are based on the previously enacted U.S. statutory federal income tax rate of 35%. Significant components of deferred tax assets and liabilities are as follows:

	As of December 31,	
	2017	2016
Deferred tax assets:	(Dollars in thousands)	
Credit loss allowances	$ 8,535	$ 18,756
Deferred compensation and share-based compensation	2,286	3,763
Net operating loss carryforwards	1,241	5,108
Credit carryforwards	5,968	3,902
Other	454	309
Gross deferred tax assets	18,484	31,838
Valuation allowance	(797)	(828)
Deferred tax assets net of valuation allowance	$ 17,687	$ 31,010
Deferred tax liabilities:		
Available for sale securities mark to market	$ 879	$ 1,888
Basis difference in premises and equipment	2,082	2,550
Intangible assets	338	734
Mortgage servicing rights	5,225	10,431
Other	137	1,919
Gross deferred tax liabilities	8,661	17,522
Net deferred tax asset	$ 9,026	$ 13,488

During 2016, the Company elected certain tax accounting method changes with the Internal Revenue Service for originated mortgage servicing rights, certain securities, deferred rents and tenant improvement allowances for certain leases. The result of these accounting changes generated tax net operating losses and credit carryforwards for the 2016 tax year. As of December 31, 2017 the Company has utilized all of the net operating losses generated in 2016. At December 31, 2017 the Company has $4.4 million in Federal gross net operating loss carryforwards acquired in previous business combinations expiring between 2023 and 2031, and $7.5 million in state net operating losses. Due to limitations on the amounts of these losses that can be recognized annually, the Company has determined that it is more likely than not that some of these net operating loss carryforwards will expire unused, and has established a $797,000 valuation allowance related to these carryforwards. The Company also has $6.0 million in tax credit carryforwards that expire beginning in 2036.

The Company files a consolidated income tax return in the U.S. federal jurisdiction and various states. With few exceptions, the Company is no longer subject to income tax examinations by tax authorities in these taxing jurisdictions for the years before 2014.

Note 15 - Stockholders' Equity

Stock Issuance

On November 23, 2016, the Company issued 1,954,623 shares of its common stock and 90,832 of its Series D preferred shares in a private placement offering, generating net proceeds of $43.8 million after adjustments for cost of issuance. In connection with a 2012 sale of the Company's common stock, two investors obtained the right to appoint a member of the Company's Board of Directors.

Stock Split

On September 28, 2016, the Company's Board of Directors declared a two-for-one stock split that was paid in the form of a 100% stock dividend on October 5, 2016, (the "payment date") to shareholders of record at the close of business on September 28, 2016. The Company's common stock began trading on a split-adjusted basis on or about October 6, 2016. The stock split increased the Company's total shares of common stock outstanding as of October 5, 2016, from 8,722,665 shares to 17,445,330 shares. All previously reported share and per share data included herein prior to the payment date have been restated to reflect the retroactive effect of this two-for-one split.

Preferred Stock

Senior Non-Cumulative Perpetual Preferred Stock, Series SBLF ("Series SBLF") was issued in July 2011. Series SBLF is a nonvoting class of stock, except in limited circumstances. Dividends on Series SBLF were payable quarterly at a variable annual dividend rate between 1.00% and 7.00% through January 6, 2016, then became payable quarterly at a fixed annual dividend rate of 9.00%. Series SBLF may be redeemed at any time, for $1,000 per share plus any accrued but unpaid dividends, at the option of the Company, subject to regulatory approval. The average annual dividend rate for 2017 and 2016 was 9.00%. Dividends on Series SBLF declared, but paid in the subsequent quarter, were $1.1 million at both December 31, 2017 and December 31, 2016.

Series D Nonvoting Convertible Preferred Stock ("Series D") was first issued in 2012, with additional shares issued in 2016. Series D ranks subordinate to all other classes of preferred stock, holders are entitled to dividends on an equal basis as those of common shares, and holders may convert the shares on a one for one basis to common stock provided after the conversion the holder (with their affiliates) does not own more than 9.99% of common stock (or any class of voting securities issued by the Company). Holders of Series D have no voting rights, except in limited circumstances.

Accumulated Other Comprehensive Income

Accumulated other comprehensive income includes the after-tax change in unrealized gains and losses on available for sale ("AFS") securities and cash flow hedging activities.

	Unrealized gains on AFS securities	Cash flow hedges	Accumulated other comprehensive income
		(Dollars in thousands)	
Balance at January 1, 2017	$ 3,505	$ (42)	$ 3,463
Net change	(2,225)	69	(2,156)
Balance at December 31, 2017	$ 1,280	$ 27	$ 1,307
Balance at January 1, 2016	$ 5,289	$ (105)	$ 5,184
Net change	(1,784)	63	(1,721)
Balance at December 31, 2016	$ 3,505	$ (42)	$ 3,463

Note 16 - Regulatory Capital Matters

Regulatory Capital Matters

The Company (on a consolidated basis) and the Bank are subject to various regulatory capital requirements administered by federal and state banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Company's consolidated financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company and the Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

The Company is subject to the Basel III regulatory capital framework (the "Basel III Capital Rules"). Starting in January 2016, the implementation of the capital conservation buffer was effective for the Company starting at the 0.625% level and increasing 0.625% each year thereafter, until it reaches 2.5% on January 1, 2019. The capital conservation buffer is designed to absorb losses during periods of economic stress and requires increased capital levels for the purpose of capital distributions and other payments. Failure to meet the full amount of the buffer will result in restrictions on the Company's ability to make capital distributions, including dividend payments and stock repurchases and to pay discretionary bonuses to executive officers.

Quantitative measures established by regulation to ensure capital adequacy require the Company and the Bank to maintain minimum amounts and ratios (set forth in the table below) of total, CET1 and Tier 1 capital (as defined in the regulations) to risk weighted assets (as defined), and of Tier 1 capital (as defined) to average assets (as defined). Management believes, as of December 31, 2017 and 2016, the Company and the Bank meet all capital adequacy requirements to which they are subject, including the capital buffer requirement.

As of December 31, 2017 and 2016, the Bank's capital ratios exceeded those levels necessary to be categorized as "well capitalized" under the regulatory framework for prompt corrective action. To be categorized as "well capitalized," the Bank must maintain minimum total risk based, CET1, Tier 1 risk based and Tier 1 leverage ratios as set forth in the table. There are no conditions or events since that notification that management believes have changed the Bank's category.

The actual capital amounts and ratios of the Company and Bank as of December 31, 2017 and December 31, 2016, are presented in the following table:

	Actual		Minimum Capital Required - Basel III Fully Phased-In		To be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
December 31, 2017			(Dollars in thousands)			
Common Equity Tier 1 to Risk-Weighted Assets						
Origin Bancorp, Inc.	$ 360,069	9.35%	$ 269,570	7.00%	N/A	N/A
Origin Bank	416,175	10.82	269,244	7.00	250,012	6.50%
Tier I Capital to Risk-Weighted Assets						
Origin Bancorp, Inc.	433,338	11.25	327,411	8.50	N/A	N/A
Origin Bank	416,175	10.82	326,940	8.50	307,708	8.00
Total Capital to Risk-Weighted Assets						
Origin Bancorp, Inc.	472,437	12.26	404,616	10.50	N/A	N/A
Origin Bank	455,274	11.84	403,748	10.50	384,522	10.00
Leverage Ratio						
Origin Bancorp, Inc.	433,338	10.53	164,611	4.00	N/A	N/A
Origin Bank	416,175	10.13	164,334	4.00	205,418	5.00
December 31, 2016						
Common Equity Tier 1 to Risk-Weighted Assets						
Origin Bancorp, Inc.	$ 351,697	9.42%	$ 261,346	7.00%	N/A	N/A
Origin Bank	407,412	10.94	260,684	7.00	242,064	6.50%
Tier I Capital to Risk-Weighted Assets						
Origin Bancorp, Inc.	422,952	11.33	317,307	8.50	N/A	N/A
Origin Bank	407,412	10.94	316,545	8.50	297,925	8.00
Total Capital to Risk-Weighted Assets						
Origin Bancorp, Inc.	469,745	12.58	392,077	10.50	N/A	N/A
Origin Bank	454,070	12.19	391,119	10.50	372,494	10.00
Leverage Ratio						
Origin Bancorp, Inc.	422,952	10.67	158,706	4.00	N/A	N/A
Origin Bank	407,412	10.31	158,065	4.00	197,581	5.00

In the ordinary course of business, Origin Bancorp, Inc. is dependent upon dividends from Origin Bank to provide funds for the payment of dividends to stockholders and to provide for other cash requirements. Banking regulations may limit the amount of dividends that may be paid. Approval by regulatory authorities is required if the effect of dividends declared would cause the regulatory capital of Origin Bank to fall below specified minimum levels. Approval is also required if dividends declared and paid exceed the Bank's year-to-date net income combined with the retained net income for the preceding year. Management believes under the foregoing dividend restrictions and while maintaining its “well capitalized” status, at December 31, 2017, Origin Bank could pay aggregate dividends of up to $14.5 million to Origin Bancorp, Inc. without prior regulatory approval.

Note 17 - Commitments and Contingencies

Credit Related Commitments

In the normal course of business, the Company enters into financial instruments, such as commitments to extend credit and letters of credit, to meet the financing needs of its customers. Such instruments are not reflected in the accompanying consolidated financial statements until they are funded, although they expose the Company to varying degrees of credit risk and interest rate risk in much the same way as funded loans.

Commitments to extend credit include revolving commercial credit lines, nonrevolving loan commitments issued mainly to finance the acquisition and development or construction of real property or equipment, and credit card and personal credit lines. The availability of funds under commercial credit lines and loan commitments generally depends on whether the borrower continues to meet credit standards established in the underlying contract and has not violated other contractual conditions. Loan commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee by the borrower. Credit card and personal credit lines are generally subject to cancellation if the borrower's credit quality deteriorates. A number of commercial and personal credit lines are used only partially or, in some cases, not at all before they expire, and the total commitment amounts do not necessarily represent future cash requirements of the Company.

A substantial majority of the letters of credit are standby agreements that obligate the Company to fulfill a customer's financial commitments to a third party if the customer is unable to perform. The Company issues standby letters of credit primarily to provide credit enhancement to its customers' other commercial or public financing arrangements and to help them demonstrate financial capacity to vendors of essential goods and services.

The contract amounts of these instruments reflect the Company's exposure to credit risk. The Company undertakes the same credit evaluation in making loan commitments and assuming conditional obligations as it does for on-balance sheet instruments and may require collateral or other credit support. These off-balance sheet financial instruments are summarized below:

	December 31,	
	2017	**2016**
	(Dollars in thousands)	
Commitments to extend credit	$ 1,068,088	$ 988,174
Standby letters of credit	79,893	82,878

In addition to the above, the Company guarantees the credit card debt of certain customers to the merchant bank that issues the credit cards. These guarantees are in place for as long as the guaranteed credit card is open. At December 31, 2017 and 2016, these credit card guarantees totaled $1.0 million and $963,000, respectively. This amount represents the maximum potential amount of future payments under the guarantee, which the Company is responsible for in the event of customer non-payment.

At December 31, 2017 and 2016, the Company had FHLB letters of credit totaling $185,000 and $120,000, respectively, available to secure public deposits, and for other purposes required or permitted by law.

Management establishes an asset-specific allowance for lending-related commitments that are considered impaired and computes a formula-based allowance for performing consumer and commercial lending-related commitments. These are computed using a methodology similar to that used for the commercial loan portfolio, modified for expected maturities and probabilities of drawdown. The reserve for lending-related commitments was $2.0 million and $1.9 million at December 31, 2017 and 2016, respectively, and is included in other liabilities in the accompanying consolidated balance sheets.

Loss Contingencies

On January 23, 2017, the ResCap Liquidating Trust, or ResCap, as successor to Residential Funding Company, LLC f/k/a Residential Funding Corporation, or RFC, filed a complaint against the Bank, as successor to Cimarron Mortgage Company, or Cimarron, a former residential mortgage lender purchased by the Bank in 2011 and merged into the Bank in 2013, in the United States District Court for the District of Minnesota. The Complaint included a claim for damages against the Bank arising out of a guaranty in which the Bank, as successor to Cimarron, guaranteed Cimarron's full performance under the contract governing the sale of mortgage loans to RFC. The Company entered into a Settlement and Release Agreement on November 6, 2017 with the RFC parties with respect to the ResCap Litigation. Under the agreement, the Company agreed to pay $10.0 million to fully resolve all claims by the RFC parties, and to avoid the further costs, disruption, and distraction of defending the ResCap Litigation. The Company recognized the $10.0 million of expense during the third quarter 2017, and paid all amounts due during the fourth quarter 2017.

From time to time the Company is also party to various legal proceedings arising in the ordinary course of business. Management does not believe that loss contingencies, if any, arising from any such pending litigation and regulatory matters will have a material adverse effect on the consolidated financial position or liquidity of the Company.

Note 18 - Related Party Transactions

Loans to executive officers, directors, and their affiliates at December 31, 2017 and 2016 were as follows:

	2017	2016
	(Dollars in thousands)	
Balance, beginning of year	$ 11,754	$ 10,951
Advances	4,354	3,017
Principal repayments	(6,174)	(2,214)
Balance, end of year	$ 9,934	$ 11,754
Commitments to extend credit	$ 12,355	$ 11,250

None of the above loans were considered non-performing or potential problem loans. These loans were made in the ordinary course of business and on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other unaffiliated persons and do not involve more than normal risk of collectability.

Deposits from related parties held by the Company at December 31, 2017 and 2016, amounted to $38.0 million and $44.9 million, respectively.

From time to time the Company engages related parties for construction of certain properties and landscaping services. The total value paid for such services with the related parties and their affiliates was $1.5 million and $2.4 million, for the years ended December 31, 2017 and 2016, respectively.

Note 19 - Condensed Parent Company Only Financial Statements

Financial statements of Origin Bancorp, Inc. (parent company only) are as follows:

Condensed Balance Sheets	**As of December 31,**	
	2017	**2016**
Assets	(Dollars in thousands)	
Cash and cash equivalents	$ 10,566	$ 7,550
Investment in affiliates/subsidiaries	450,598	445,041
Other assets	5,500	7,017
Total assets	$ 466,664	$ 459,608
Liabilities		
Junior subordinated debentures	$ 9,619	$ 9,596
Accrued expenses and other liabilities	1,703	1,355
Total liabilities	11,322	10,951
ESOP-owned shares	34,991	28,564
Stockholders' Equity		
Preferred stock	65,258	65,258
Common stock	97,594	97,419
Additional paid-in capital	146,061	145,068
Retained earnings	145,122	137,449
Accumulated other comprehensive income	1,307	3,463
Total stockholders' equity	455,342	448,657
Less: ESOP-owned shares	34,991	28,564
Total stockholders' equity	420,351	420,093
Total liabilities and stockholders’ equity	$ 466,664	$ 459,608

Condensed Statements of Income	**Year ended December 31,**	
	2017	**2016**
Income:	(Dollars in thousands)	
Dividends from subsidiaries	$ 8,000	$ 5,625
Other	41	11
Total income	8,041	5,636
Expenses:		
Salaries and employee benefits	433	600
Other	1,384	1,617
Total expenses	1,817	2,217
Income before income taxes and equity in undistributed net income of subsidiaries	6,224	3,419
Income tax benefit	477	1,281
Income before equity in undistributed net income of subsidiaries	6,701	4,700
Equity in undistributed net income of subsidiaries	7,968	8,150
Net income	$ 14,669	$ 12,850

Condensed Statements of Cash Flows	**Year ended December 31,**	
	2017	**2016**
Cash flows from operating activities:	(Dollars in thousands)	
Net income	$ 14,669	$ 12,850
Adjustments to reconcile net income to net cash provided by operating activities:		
Deferred income taxes	11	9
Equity in undistributed net income of subsidiaries	(7,968)	(8,150)
Amortization of subordinated debentures discount	23	21
Stock compensation	78	65
Other, net	5,488	215
Net cash provided by operating activities	12,301	5,010
Cash flows from investing activities:		
Capital contributed to subsidiary	—	(37,808)
Net purchases of non-marketable equity securities held in other financial institutions	(2,065)	—
Net cash used in investing activities	(2,065)	(37,808)
Cash flows from financing activities:		
Net decrease in short-term borrowings	—	(3,600)
Dividends paid	(6,996)	(5,764)
Taxes paid related to net share settlement of equity awards	(410)	(739)
Cash received on exercise of stock options	186	737
Proceeds from issuance of common stock	—	41,809
Proceeds from issuance of preferred stock	—	1,998
Net cash (used in) provided by financing activities	(7,220)	34,441
Net increase in cash and cash equivalents	3,016	1,643
Cash and cash equivalents at beginning of year	7,550	5,907
Cash and cash equivalents at end of year	$ 10,566	$ 7,550

Note 20 - Summary of Quarterly Financial Statements (Unaudited)

The following tables present selected unaudited data from the Company's consolidated quarterly statements of income for the years ended December 31, 2017 and 2016:

	Quarters Ended - 2017			
	December 31	**September 30**	**June 30**	**March 31**
	(Dollars in thousands, except per share data)			
Total interest income	$ 40,408	$ 39,614	$ 37,293	$ 35,278
Total interest expense	6,190	5,746	5,376	4,976
Net interest income	34,218	33,868	31,917	30,302
Provision for credit losses	242	3,327	1,953	2,814
Net interest income after provision for credit losses	33,976	30,541	29,964	27,488
Non-interest income	8,715	5,041	5,306	10,125
Non-interest expense	31,771	40,443	30,674	27,786
Income (loss) before income taxes	10,920	(4,861)	4,596	9,827
Income tax expense (benefit)	5,148	(2,688)	773	2,580
Net income (loss)	5,772	(2,173)	3,823	7,247
Less preferred stock dividends	1,116	1,115	1,115	1,115
Less income allocated to participating stockholders[(1)]	194	3	103	267
Net income (loss) available to common stockholders[(1)]	$ 4,462	$ (3,291)	$ 2,605	$ 5,865
Basic earnings (loss) per common share[(1)]	$ 0.23	$ (0.17)	$ 0.13	$ 0.30
Diluted earnings (loss) per common share[(1)]	0.23	(0.17)	0.13	0.30

(1) Due to the methodology of how losses are allocated under the two-class method, the sum of the quarterly periods may not agree to the year-to-date total presented in the consolidated statements of income for the year ended December 31, 2017.

	Quarters Ended - 2016			
	December 31	**September 30**	**June 30**	**March 31**
	(Dollars in thousands, except per share data)			
Total interest income	$ 34,895	$ 35,647	$ 34,758	$ 33,851
Total interest expense	4,786	4,657	4,517	4,508
Net interest income	30,109	30,990	30,241	29,343
Provision for credit losses	9,824	2,734	38	17,482
Net interest income after provision for credit losses	20,285	28,256	30,203	11,861
Non-interest income	8,593	12,106	8,726	12,443
Non-interest expense	30,107	28,434	29,207	28,959
(Loss) income before income taxes	(1,229)	11,928	9,722	(4,655)
Income tax (benefit) expense	(1,850)	4,814	2,503	(2,551)
Net income (loss)	621	7,114	7,219	(2,104)
Less preferred stock dividends	1,115	1,112	1,112	1,059
Less income allocated to participating stockholders[(1)]	3	272	277	3
Net (loss) income available to common stockholders[(1)]	$ (497)	$ 5,730	$ 5,830	$ (3,166)
Basic (loss) earnings per common share[(1)]	$ (0.03)	$ 0.33	$ 0.34	$ (0.18)
Diluted (loss) earnings per common share[(1)]	(0.03)	0.33	0.33	(0.18)

(1) Due to the methodology of how losses are allocated under the two-class method, the sum of the quarterly periods may not agree to the year-to-date total presented in the consolidated statements of income for the year ended December 31, 2016.

[ ] Shares

Common Stock

PROSPECTUS
May [ ], 2018

Stephens Inc. **Raymond James**

Through and including [ ], 2018 (25 days after the date of this prospectus), all dealers that buy, sell or trade our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

Set forth below is an itemization of total expenses, other than underwriting discounts and commissions, that we expect to incur in connection with the sale of our common stock in the offering. With the exception of the SEC registration fee, the FINRA filing fee and the Nasdaq listing fees and expenses, all amounts shown are estimates:

SEC registration fee	$	11,205
FINRA filing fee		*
Nasdaq listing fees and expenses	$	125,000
Transfer agent and registrar fees and expenses		*
Printing fees and expenses		*
Legal fees and expenses		*
Accounting expenses		*
Miscellaneous expenses		*
Total		*

* To be furnished by amendment.

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Sections 1-850 through 1-859 of the Louisiana Business Corporation Act, or LCBA, provide, in part, that we may indemnify each of our current or former directors and officers (each, an "indemnitee") against liability (including judgments, settlements, penalties, fines, or reasonable expenses) incurred by the indemnitee in a proceeding to which the indemnitee is a party if the indemnitee acted in good faith and reasonably believed either (1) in the case of conduct in an official capacity, that the indemnitee's conduct was in the best interests of the corporation or (2) in all other cases, that the indemnitee's conduct was at least not opposed to the best interests of the corporation, and, with respect to any criminal proceeding, the indemnitee had no reasonable cause to believe his or her conduct was unlawful. Under the LBCA, we may also advance expenses to the indemnitee provided that the indemnitee delivers (1) a written affirmation of his or her good faith belief that the relevant standard of conduct has been met or that the proceeding involves conduct for which liability has been eliminated and (2) a written undertaking to repay any funds advanced if (i) the indemnitee is not entitled to mandatory indemnification by virtue of being wholly successful, on the merits or otherwise, in the defense of any such proceeding and (ii) it is ultimately determined that the indemnitee has not met the relevant standard of conduct. In addition, we have the power to obtain and maintain insurance with respect to any person who is or was acting on our behalf, regardless of whether we have the legal authority to indemnify, or advance expenses to, the insured person with respect to such liability. In furtherance of this authority, we maintain directors' and officers' liability insurance.

Under the LBCA, a corporation must indemnify any present or former director or officer of a corporation for expenses incurred in connection with the proceeding if such person was wholly successful, on the merits or otherwise, in defense of any proceeding, that he was a party to by virtue of the fact that he or she is or was a director or officer of the corporation. This mandatory indemnification requirement does not limit our right to permissibly indemnify a director or officer with respect to expenses of a partially successful defense of any proceeding.

Our articles of incorporation contain indemnification provisions that require us to indemnify our directors and officers from and against any and all expenses, liabilities or other matters covered by the LBCA, as to action in his or her official capacity while holding office, to the fullest extent permitted by the LBCA. Our articles of incorporation provide for mandatory advancement of expenses of directors and officers, so long as we receive (1) a written affirmation from the director or officer of his good faith belief that he has satisfied the standard of conduct

necessary for indemnification under the LBCA and our bylaws and (ii) an undertaking by or on behalf of the director or officer to repay all amounts advanced if it is later determined that he or she is not entitled to indemnification.

Our articles of incorporation permit, but do not require, us to grant rights to indemnification and advancement of expenses to any of our employees or agents, or to any director, officer, employee or agent of any of our subsidiaries, to the fullest extent of the LBCA. Our articles of incorporation do not limit our ability to provide for additional rights to indemnification or advancement of expenses through our bylaws, a resolution of shareholders or directors, an agreement or otherwise, as long as those rights are consistent with the LBCA.

The foregoing is only a general summary of certain aspects of Louisiana law and our governing documents dealing with indemnification of directors and officers, and does not purport to be complete. It is qualified in its entirety by reference to our articles of incorporation, which are filed as an exhibit to this registration statement, and to the relevant provisions of the LBCA.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers or persons controlling us under any of the foregoing provisions, in the opinion of the Securities and Exchange Commission, that indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable. Finally, our ability to provide indemnification to our directors and officers is limited by federal banking laws and regulations, including, but not limited to, 12 U.S.C. 1828(k).

The form of Underwriting Agreement to be filed as Exhibit 1.1 to this registration statement obligates the underwriters to indemnify our directors, officers and controlling persons under limited circumstances against certain liabilities under the Securities Act.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES.

Within the past three years, we have engaged in the following transactions that were not registered under the Securities Act.

In November 2016, we completed a private offering solely to accredited investors of 1,954,623 shares of our common stock and 90,682 shares of our Series D preferred stock at a price of $22.00 per share, generating gross subscription proceeds of approximately $45.0 million. The issuances of securities in the 2016 offering were made in reliance upon exemptions from federal securities registration under Section 4(a)(2) of the Securities Act, including the safe harbors established in Regulation D, for transactions by an issuer not involving a public offering. Stephens Inc. served as placement agent with respect to the private offering.

We periodically issue grants of certain equity based awards to our directors, executive officers and other employees. Between January 1, 2015 and the filing of this registration statement, and after giving effect to the 100% stock dividend we completed on October 5, 2016, we issued an aggregate of 117,851 shares of our common stock upon the exercise of outstanding stock options, with aggregate cash proceeds to the registrant of $813,000. In addition, an aggregate of 103,649 shares of our common stock were surrendered or withheld to cover the exercise price or tax withholding obligations associated with exercised awards during this period. The offers and sales of these securities were made in reliance upon exemptions from federal securities registration provided by Rule 701 of the Securities Act for offers and sales of securities under compensatory benefit plans.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) Exhibits: The list of exhibits set forth under “Exhibit Index” at the end of this registration statement is incorporated herein by reference.

(b) Financial Statement Schedules: None.

ITEM 17. UNDERTAKINGS.

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The registrant hereby further undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective; and

(2) For purposes of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

EXHIBIT INDEX

NUMBER	DESCRIPTION
1.1	Form of Underwriting Agreement*
3.1	Restated Articles of Incorporation
3.2	Bylaws
4.1	Specimen common stock certificate
4.2	Registration Rights Agreement, dated November 9, 2012 by and between Community Trust Financial Corporation, Pine Brook Capital Partners, L.P., Pine Brook Capital Partners (SSP Offshore) II, L.P., and Pine Brook Capital Partners (Cayman), L.P.*
4.3	Registration Rights Agreement, dated November 9, 2012, by and between Community Trust Financial Corporation and Castle Creek Capital Partners IV, LP*
4.4	Registration Rights Agreement, dated November 9, 2012, by and between Community Trust Financial Corporation and Banc Fund VII L.P.*
4.5	Registration Rights Agreement, dated November 9, 2012, by and between Community Trust Financial Corporation and Banc Fund VIII L.P.*
	The other instruments defining the rights of the long-term debt securities of the Registrant and its subsidiaries are omitted pursuant to section (b)(4)(iii)(A) of Item 601 of Regulation S-K. The Registrant hereby agrees to furnish copies of these instruments to the SEC upon request.
5.1	Form of Opinion of Fenimore, Kay, Harrison & Ford, LLP
10.1	Community Trust Financial Corporation 2012 Stock Incentive Plan
10.2	Form of Restricted Stock Award Agreement under the Community Trust Financial Corporation 2012 Stock Incentive Plan
10.3	Form of Stock Option Award Agreement under the Community Trust Financial Corporation 2012 Stock Incentive Plan
10.4	Community Trust Financial Corporation Employee Stock Ownership Plan, as amended*
10.5	Restated Employment Agreement, dated January 1, 2016, by and between Origin Bancorp, Inc. and Drake Mills
10.6	Employment Agreement, dated October 1, 2008, by and between Community Trust Bank and M. Lance Hall
10.7	Amendment to Employment Agreement, dated July 22, 2014, by and between Community Trust Financial Corporation and M. Lance Hall
10.8	2018 Amendment to Employment Agreement, dated March 15, 2018, by and between Origin Bank (formerly Community Trust Bank) and M. Lance Hall
10.9	Change in Control Agreement, dated April 5, 2017, by and between Origin Bank, Origin Bancorp, Inc. and F. Ronnie Myrick
10.10	Executive Salary Continuation Agreement, dated June 30, 2004, by and between Community Trust Bank and Drake Mills*
10.11	§409A Amended & Restated Executive Salary Continuation Agreement, dated December 13, 2008, by and between Community Trust Bank and M. Lance Hall*
10.12	Executive Deferred Compensation Agreement, dated March 30, 2001, by and between Community Trust Bank and Drake Mills*
10.13	Life Insurance Endorsement Method Split Dollar Plan Agreement, dated March 30, 2001, by and between Community Trust Bank and Drake Mills*
10.14	Amendment to the Life Insurance Endorsement Split Dollar Plan Agreement, dated January 1, 2009, by and between Community Trust Bank and Drake Mills*
10.15	Life Insurance Endorsement Method Split Dollar Plan Agreement, dated September 4, 2002, by and between Community Trust Bank and M. Lance Hall*
10.16	Amendment to the Life Insurance Endorsement Split Dollar Plan Agreement, dated December 8, 2008, by and between Community Trust Bank and M. Lance Hall*

10.17	Amendment to the Life Insurance Endorsement Split Dollar Plan Agreement, dated December 18, 2009, by and between Community Trust Bank and M. Lance Hall*
10.18	Securities Purchase Agreement, dated November 9, 2012, by and between the Secretary of the Treasury and Community Trust Financial Corporation, in connection with the participation of Community Trust Financial Corporation in the U.S. Treasury's Small Business Lending Fund Program
10.19	Securities Purchase Agreement, dated November 9, 2012 by and between Community Trust Financial Corporation, Pine Brook Capital Partners, L.P., Pine Brook Capital Partners (SSP Offshore) II, L.P., and Pine Brook Capital Partners (Cayman), L.P.
10.20	Securities Purchase Agreement, dated November 9, 2012, by and between Community Trust Financial Corporation and Castle Creek Capital Partners IV, LP
10.21	Securities Purchase Agreement, dated November 9, 2012, by and between Community Trust Financial Corporation and Banc Fund VII L.P.
10.22	Securities Purchase Agreement, dated November 9, 2012, by and between Community Trust Financial Corporation and Banc Fund VIII L.P.
21.1	Subsidiaries of Origin Bancorp, Inc.
23.1	Consent of Fenimore, Kay, Harrison & Ford, LLP (contained in Exhibit 5.1)
23.2	Consent of BKD, LLP
24.1	Power of Attorney (included on signature page)

* To be filed by amendment.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in Ruston, Louisiana on the day of April 10, 2018.

ORIGIN BANCORP, INC.

By: /s/ Drake Mills
Drake Mills
Chairman, Chief Executive Officer and President

POWERS OF ATTORNEY

Each of the undersigned officers and directors of Origin Bancorp, Inc. constitutes and appoints Drake Mills as his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, in his or her name, place and stead and on his or her behalf, and in any and all capacities, to sign any and all amendments (including post-effective amendments) and exhibits to this Registration Statement, and any other registration statement for the same offering pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing which said attorney-in-fact and agent may deem necessary or advisable to be done or performed in connection with any or all of the above-described matters, as fully as each of the undersigned could do if personally present and acting, ratifying and confirming all that said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated on the dates set forth below.

Signature	Title	Date
By: /s/ Drake Mills Drake Mills	Chairman of the Board, Chief Executive Officer and President (Principal Executive Officer)	April 10, 2018
By: /s/ Stephen H. Brolly Stephen H. Brolly	Chief Financial Officer (Principal Financial and Accounting Officer)	April 10, 2018
By /s/ James S. D'Agostino James S. D'Agostino	Director	April 10, 2018
By: /s/ John M. Buske John M. Buske	Director	April 10, 2018

Signature		Title	
By:	/s/ James E. Davison, Jr. James E. Davison, Jr.	Director	April 10, 2018
By:	/s/ Oliver Goldstein Oliver Goldstein	Director	April 10, 2018
By	/s/ Michael A. Jones Michael A. Jones	Director	April 10, 2018
By	/s/ Gary Luffey Gary Luffey	Director	April 10, 2018
By:	/s/ Farrell Malone Farrell Malone	Director	April 10, 2018
By:	/s/ F. Ronnie Myrick F. Ronnie Myrick	Director and Chief Administration Officer	April 10, 2018
By:	/s/ John Pietrzak John Pietrzak	Director	April 10, 2018
By:	/s/ George Snellings, IV George Snellings, IV	Director	April 10, 2018
By:	/s/ Elizabeth Solender Elizabeth Solender	Director	April 10, 2018
By:	/s/ Steven Taylor Steven Taylor	Director	April 10, 2018

RESTATED ARTICLES OF INCORPORATION
OF
ORIGIN BANCORP, INC.

ARTICLE I
NAME

The name of this Corporation is Origin Bancorp, Inc.

ARTICLE II
OBJECTS AND PURPOSES

The objects and purposes for which the Corporation is organized are to engage in any lawful business or activity for which corporations may be organized and in which they may engage under the laws of the State of Louisiana.

ARTICLE III
AUTHORIZED CAPITAL

A. The aggregate number of shares the Corporation shall have the authority to issue is (a) Fifty Million (50,000,000) shares of common stock of the par value of Five Dollars ($5.00) each, and (b) Two Million (2,000,000) shares of preferred stock.

B. Shares of preferred stock may be issued from time to time in one or more series. Authority is hereby vested in the Board of Directors of the Corporation to amend these Articles of Incorporation from time to time to fix the preferences, limitations, and relative rights of the shares of the preferred stock, and to establish and fix variations in the preferences, limitations, and relative rights as between different series of preferred stock.

C. SENIOR NON-CUMULATIVE PERPETUAL PREFERRED STOCK, SERIES SBLF

RESOLVED, that pursuant to the provisions of the Articles of Incorporation and the Bylaws of the Corporation and applicable law, a series of preferred stock, having no par value, of the Corporation be and hereby is created, and that the designation and number of shares of such series, and the voting and other powers, preferences and relative, participating, optional or other rights, and the qualifications, limitations and restrictions thereof, of the shares of such series, are as follows:

Part 1. Designation and Number of Shares. There is hereby created out of the authorized and unissued shares of preferred stock of the Corporation a series of preferred stock designated as the "Senior Non-Cumulative Perpetual Preferred Stock, Series SBLF" (the "Designated Preferred Stock"). The authorized number of shares of Designated Preferred Stock shall be 48,260.

Part 2. Standard Provisions. The Standard Provisions contained in Schedule A attached hereto are incorporated herein by reference in their entirety and shall be deemed to be a part of these Articles of Amendment to the same extent as if such provisions had been set forth in full herein.

Part 3. Definitions. The following terms are used in these Articles of Amendment (including the Standard Provisions in Schedule A hereto) as defined below:

(a) "Common Stock" means the common stock, par value $5.00 per share, of the Corporation.

(b) "Definitive Agreement" means that certain Securities Purchase Agreement by and between Corporation and Treasury, dated as of the Signing Date.

(c) "Junior Stock" means the Common Stock, and any other class or series of stock of the Corporation the terms of which expressly provide that it ranks junior to Designated Preferred Stock as to dividend and redemption rights and/or as to rights on liquidation, dissolution or winding up of the Corporation.

(d) "Liquidation Amount" means $1,000 per share of Designated Preferred Stock.

(e) "Minimum Amount" means (i) the amount equal to twenty-five percent (25%) of the aggregate Liquidation Amount of Designated Preferred Stock issued on the Original Issue Date or (ii) all of the outstanding Designated Preferred Stock, if the aggregate liquidation preference of the outstanding Designated Preferred Stock is less than the amount set forth in the preceding clause (i).

(f) "Parity Stock" means any class or series of stock of the Corporation (other than Designated Preferred Stock) the terms of which do not expressly provide that such class or series will rank senior or junior to Designated Preferred Stock as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Corporation (in each case without regard to whether dividends accrue cumulatively or non-cumulatively).

(g) "Signing Date" means July 6, 2011.

(h) "Treasury" means the United States Department of the Treasury and any successor in interest thereto.

Part 4. Certain Voting Matters. Holders of shares of Designated Preferred Stock will be entitled to one vote for each such share on any matter on which holders of Designated Preferred Stock are entitled to vote, including any action by written consent.

D. SERIES D NONVOTING CONVERTIBLE PREFERRED STOCK

RESOLVED, that pursuant to the provisions of the authority conferred upon the Board of Directors in accordance with the provisions of the Articles of Incorporation, a new class of preferred stock to be designated as Series D Nonvoting Convertible Preferred Stock, of no par value per share, of the Company to consist of 950,000 shares be and hereby is created, and that the designation and number of shares thereof and the voting and other powers, preferences and relative, participating, optional and other rights of the shares of such series and the qualifications, limitations and restrictions thereof are as set forth in the Certificate of Designation attached hereto as Schedule B.

ARTICLE IV
DIRECTORS

A. The number of directors of the Corporation shall be not less than three (3) nor more than twenty-five (25). The directors elected at the annual meeting of shareholders in 1999 shall be divided into three classes (Class A, Class B and Class C) by the Chairman of the Board at the first meeting of the Board of Directors held after the annual meeting of shareholders in 1999, with each class to be as nearly equal in number as possible. The initial term of office of Class A directors shall expire at the annual meeting of the shareholders in 2000, that of Class B shall expire at the annual meeting of the shareholders in 2001, and that of Class C shall expire at the annual meeting of the shareholders in 2002. The term of office of each class of directors after their initial term shall be three (3) years, and each director shall hold office until the annual meeting of shareholders for the year in which his or her respective term expires and until his or her respective successor shall be elected and shall be qualified or until his or her earlier death, resignation, retirement, disqualification or removal from office.

B. The number of directors may be increased or decreased within the limits set forth above by a vote of not less than two-thirds of the total number of directors then holding office (i.e., not including any vacant directorships), provided that a decrease in the number of directors shall not shorten an incumbent director's term.

C. Each director shall be elected by the vote of a majority of the votes cast by the holders of shares entitled to vote at any meeting for the election of directors at which a quorum is present, provided that if the number of director nominees exceeds the number of directors to be elected at such a meeting, the directors shall be elected by

a plurality of the votes cast by the holders of shares entitled to vote at such meeting at which a quorum is present. For purposes of this paragraph, (i) a majority of the votes cast shall mean that the number of shares that voted "for" the election of a director exceeds the number of shares voted "against" that director, and (ii) abstentions and broker non-votes shall not be counted as votes cast either "for" or "against" the election of any director. Shareholders shall not have cumulative voting in the election of directors.

D. Until otherwise provided in the Bylaws, any director absent from a meeting may be represented by any other director, who may cast the vote of the absent director according to the written instructions, general or special, of the absent director, filed with the Secretary.

E. Subject to the rights of the holders of any class or series of stock having the right to elect a director by the vote solely of the holders of that class or series of stock, any director may be removed from office only for cause and only by the affirmative vote of the holders of a majority of the combined voting power of the then outstanding shares of stock of all classes and series of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE V
UNCLAIMED PROPERTY

The shareholders of the Corporation hereby relinquish in favor of the Corporation any and all right to, or title or interest in, and hereby transfer to the Corporation, all cash, property or share dividends, shares issuable to shareholders in connection with a reclassification of stock, and the redemption price of redeemed shares, which are not claimed by the shareholders entitled thereto within a reasonable time as determined by the Board of Directors (not less than one year) after the dividend or redemption price became payable or the shares became issuable, despite reasonable efforts by the Corporation to pay the dividend or redemption price or to deliver the certificates for the shares to such shareholders within such time, and the same shall, at the expiration of such time, be deemed transferred to and vested in full ownership in the Corporation, and the Corporation's obligation to pay such dividend or redemption price or issue such shares, as the case may be, to any shareholder shall thereupon cease; provided that the Board of Directors may, at any time, for any reason satisfactory to it, but need not, authorize (a) payment of the amount of any cash or property dividend or redemption price or (b) issuance of any shares, ownership of which has been become vested in the Corporation pursuant hereto, to the person or entity who or which would be entitled thereto had such transfer not occurred..

ARTICLE VI
VOTING AMENDMENTS

A. Notwithstanding any other provision of these Articles, the affirmative vote of at least two-thirds (2/3) of the total voting power of the Corporation shall be required to amend or repeal Article VI, Article VII and this Article VII, and any repeal or amendment of Article VI, Article VII or Article VII by the shareholders of the Corporation shall be prospective only and shall not adversely affect any limitation on the personal liability of a director of the Corporation arising from an act or omission occurring prior to the time of such repeal or amendment or the rights of any director or officer to indemnification pursuant to Article VIII that may have arisen prior to such appeal or amendment.

B. The Bylaws of the Corporation may be amended by a vote of not less than two-thirds of the total number of directors then holding office, subject to the power of the shareholders, acting by a vote of the holders of not less than two-thirds (2/3) of the total voting power of the Corporation, to change or repeal the Bylaws, including any amendments to the Bylaws made by the Board of Directors.

ARTICLE VII
LIMITATION OF LIABILITY

The personal liability of directors and officers of this Corporation to the Corporation or its shareholders for monetary damages for breach of fiduciary duty as a director or officer, or otherwise, shall be limited or eliminated to the fullest extent permitted by Section 1-832 of the LBCA, the provisions of the Louisiana Banking Law and any other provision of applicable law, as amended or supplemented from time to time.

ARTICLE VIII
INDEMNIFICATION

This Corporation shall, to the fullest extent permitted by Subpart E of Part 8 of the LBCA, as the same may be amended or supplemented from time to time, and as consistent with the bylaws of the Corporation, indemnify each director and officer of the Corporation from and against any and all of the expenses, liabilities, or other matters referred to in or covered by said provisions, as to action in his or her official capacity while holding such office.

The expenses of directors and officers incurred as a party to any threatened, pending or completed proceeding, shall be paid by the Corporation as they are incurred and in advance of the final disposition of the proceeding; provided, however, that the advance payment of expenses shall be made only upon receipt by the Corporation of both a written affirmation from the director or officer of his or her good faith belief that he/she has met the standard of conduct necessary for indemnification under the LBCA and the bylaws of the Corporation and an undertaking by or on behalf of the director or officer to repay all amounts so advanced in the event that it is ultimately determined by a final decision, order, or decree of a court of competent jurisdiction that the director or officer has not met the required standards of conduct.

The right to indemnification and the payment or advancement of expenses as they are incurred and in advance of the final disposition of an action, suit, or proceeding shall not be exclusive of any other right to which a person may be entitled under these articles of incorporation, the bylaws, a resolution of shareholders or directors, an agreement, or otherwise; provided, however, that all rights to indemnification and to the payment or advancement of expenses are valid only to the extent that they are consistent with the LBCA. The right to indemnification shall continue for a person who has ceased to be a director or officer and shall inure to the benefit of his heirs, next of kin, executors, administrators and legal representatives.

The Corporation may, but need not, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any other employee or agent of the Corporation or to any director, officer, employee or agent of any of its subsidiaries to the fullest extent of the provisions of the LBCA and of this Article, subject to the imposition of such conditions or limitations as the Board of Directors of the Corporation may deem necessary or appropriate.

The Board of Directors of the Corporation may establish rules and procedures, not inconsistent with the provisions of this Article, to implement the provisions of this Article.

The provisions of this Article are valid only to the extent that they are consistent with, and are limited by, applicable laws and regulations promulgated from time to time by applicable federal banking agencies. The invalidity of any provision of this Article will not affect the validity of the remaining provisions of this Article.

ARTICLE IX
SPECIAL MEETINGS OF SHAREHOLDERS

Except as otherwise specifically provided by law, special meetings of the shareholders of the Corporation may be called by the Board of Directors, the Chairman of the Board or the Chief Executive Officer of the Corporation, and shall be called by the Secretary of the Corporation upon the written demand of the holders of at least 25% of all shares entitled to vote at the proposed meeting pursuant to a request made in accordance with procedures set forth in the Bylaws. Business transacted at any special meeting shall be confined to the purposes stated in the notice thereof.

STANDARD PROVISIONS

Section 1 General Matters. Each share of Designated Preferred Stock shall be identical in all respects to every other share of Designated Preferred Stock. The Designated Preferred Stock shall be perpetual, subject to the provisions of Section 5 of these Standard Provisions that form a part of the Certificate of Designation. The Designated Preferred Stock shall rank equally with Parity Stock and shall rank senior to Junior Stock with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Corporation ("Issuer"), as set forth below.

Section 2. Standard Definitions. As used herein with respect to Designated Preferred Stock:

(a) "Acquiror," in any Holding Company Transaction, means the surviving or resulting entity or its ultimate parent in the case of a merger or consolidation or the transferee in the case of a sale, lease or other transfer in one transaction or a series of related transactions of all or substantially all of the consolidated assets of the Issuer and its subsidiaries, taken as a whole.

(b) "Affiliate" means, with respect to any person, any person directly or indirectly controlling, controlled by or under common control with, such other person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") when used with respect to any person, means the possession, directly or indirectly through one or more intermediaries, of the power to cause the direction of management and/or policies of such person, whether through the ownership of voting securities by contract or otherwise.

(c) "Applicable Dividend Rate" has the meaning set forth in Section 3(a).

(d) "Appropriate Federal Banking Agency" means the "appropriate Federal banking agency" with respect to the Issuer as defined in Section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. Section 1813(q)), or any successor provision.

(e) "Bank Holding Company" means a company registered as such with the Board of Governors of the Federal Reserve System pursuant to 12 U.S.C. §1842 and the regulations of the Board of Governors of the Federal Reserve System thereunder.

(f) "Baseline" means the "Initial Small Business Lending Baseline" set forth on the Initial Supplemental Report (as defined in the Definitive Agreement), subject to adjustment pursuant to Section 3(a).

(g) "Business Combination" means a merger, consolidation, statutory share exchange or similar transaction that requires the approval of the Issuer's stockholders.

(h) "Business Day" means any day except Saturday, Sunday and any day on which banking institutions in the State of New York or the District of Columbia generally are authorized or required by law or other governmental actions to close.

(i) "Bylaws" means the bylaws of the Issuer, as they may be amended from time to time.

(j) "Call Report" has the meaning set forth in the Definitive Agreement.

(k) "Certificate of Designation" means the Certificate of Designation or comparable instrument relating to the Designated Preferred Stock, of which these Standard Provisions form a part, as it may be amended from time to time.

(l) "Charge-Offs" means the net amount of loans charged off by the Issuer or, if the Issuer is a Bank Holding Company or a Savings and Loan Holding Company, by the IDI Subsidiary(ies) during quarters that begin on or after the Signing Date, determined as follows:

(i) if the Issuer or the applicable IDI Subsidiary is a bank, by subtracting (A) the aggregate dollar amount of recoveries reflected on line RIAD4605 of its Call Reports for such quarters from (B) the aggregate dollar amount of charge-offs reflected on line RIAD4635 of its Call Reports for such quarters (without duplication as a result of such dollar amounts being reported on a year-to-date basis); or

(ii) if the Issuer or the applicable IDI Subsidiary is a thrift, by subtracting (A) the sum of the aggregate dollar amount of recoveries reflected on line VA140 of its Call Reports for such quarters and the aggregate dollar amount of adjustments reflected on line VA150 of its Call Reports for such quarters from (B) the aggregate dollar amount of charge-offs reflected on line VA160 of its Call Reports for such quarters.

(m) "Charter" means the Issuer's certificate or articles of incorporation, articles of association, or similar organizational document.

(n) "CPP Lending Incentive Fee" has the meaning set forth in Section 3(e).

(o) "Current Period" has the meaning set forth in Section 3(a)(i)(2).

(p) "Dividend Payment Date" means January 1, April 1, July 1, and October 1 of each year.

(q) "Dividend Period" means the period from and including any Dividend Payment Date to, but excluding, the next Dividend Payment Date; provided, however, the initial Dividend Period shall be the period from and including the Original Issue Date to, but excluding, the next Dividend Payment Date (the "Initial Dividend Period").

(r) "Dividend Record Date" has the meaning set forth in Section 3(b).

(s) "Dividend Reference Period" has the meaning set forth in Section 3(a)(i)(2).

(t) "GAAP" means generally accepted accounting principles in the United States.

(u) "Holding Company Preferred Stock" has the meaning set forth in Section 7(c)(v).

(v) "Holding Company Transaction" means the occurrence of (a) any transaction (including, without limitation, any acquisition, merger or consolidation) the result of which is that a "person" or "group" within the meaning of Section 13(d) of the Securities Exchange Act of 1934, as amended, (i) becomes the direct or indirect ultimate "beneficial owner," as defined in Rule 13d-3 under that Act, of common equity of the Issuer representing more than 50% of the voting power of the outstanding Common Stock or (ii) is otherwise required to consolidate the Issuer for purposes of generally accepted accounting principles in the United States, or (b) any consolidation or merger of the Issuer or similar transaction or any sale, lease or other transfer in one transaction or a series of related transactions of all or substantially all of the consolidated assets of the Issuer and its subsidiaries, taken as a whole, to any Person other than one of the Issuer's subsidiaries; provided that, in the case of either clause (a) or (b), the Issuer or the Acquiror is or becomes a Bank Holding Company or Savings and Loan Holding Company.

(w) "IDI Subsidiary" means any Issuer Subsidiary that is an insured depository institution.

(x) "Increase in QSBL" means:

(i) with respect to the first (1st) Dividend Period, the difference obtained by subtracting (A) the Baseline from (B) QSBL set forth in the Initial Supplemental Report (as defined in the Definitive Agreement); and

(ii) with respect to each subsequent Dividend Period, the difference obtained by subtracting (A) the Baseline from (B) QSBL for the Dividend Reference Period for the Current Period.

(y) "Initial Dividend Period" has the meaning set forth in the definition of "Dividend Period".

(z) "Issuer Subsidiary" means any subsidiary of the Issuer.

(aa) "Liquidation Preference" has the meaning set forth in Section 4(a).

(bb) "Non-Qualifying Portion Percentage" means, with respect to any particular Dividend Period, the percentage obtained by subtracting the Qualifying Portion Percentage from one (1).

(cc) "Original Issue Date" means the date on which shares of Designated Preferred Stock are first issued.

(dd) "Percentage Change in QSBL" has the meaning set forth in Section 3(a)(ii).

(ee) "Person" means a legal person, including any individual, corporation, estate, partnership, joint venture, association, joint-stock company, limited liability company or trust.

(ff) "Preferred Director" has the meaning set forth in Section 7(c).

(gg) "Preferred Stock" means any and all series of preferred stock of the Issuer, including the Designated Preferred Stock.

(hh) "Previously Acquired Preferred Shares" has the meaning set forth in the Definitive Agreement.

(ii) "Private Capital" means, if the Issuer is Matching Private Investment Supported (as defined in the Definitive Agreement), the equity capital received by the Issuer or the applicable Affiliate of the Issuer from one or more non-governmental investors in accordance with Section 1.3(m) of the Definitive Agreement.

(jj) "Publicly-traded" means a company that (i) has a class of securities that is traded on a national securities exchange and (ii) is required to file periodic reports with either the Securities and Exchange Commission or its primary federal bank regulator.

(kk) "Qualified Small Business Lending" or "QSBL" means, with respect to any particular Dividend Period, the "Quarter-End Adjusted Qualified Small Business Lending" for such Dividend Period set forth in the applicable Supplemental Report.

(ll) "Qualifying Portion Percentage" means, with respect to any particular Dividend Period, the percentage obtained by dividing (i) the Increase in QSBL for such Dividend Period by (ii) the aggregate Liquidation Amount of then-outstanding Designated Preferred Stock.

(mm) "Savings and Loan Holding Company" means a company registered as such with the Office of Thrift Supervision pursuant to 12 U.S.C. §1467a(b) and the regulations of the Office of Thrift Supervision promulgated thereunder.

(nn) "Share Dilution Amount" means the increase in the number of diluted shares outstanding (determined in accordance with GAAP applied on a consistent basis, and as measured from the date of the Issuer's most recent consolidated financial statements prior to the Signing Date) resulting from the grant, vesting or exercise of equity-based compensation to employees and equitably adjusted for any stock split, stock dividend, reverse stock split, reclassification or similar transaction.

(oo) "Signing Date Tier 1 Capital Amount" means $121,619,000.

(pp) "Standard Provisions" mean these Standard Provisions that form a part of the Certificate of Designation relating to the Designated Preferred Stock.

(qq) "Supplemental Report" means a Supplemental Report delivered by the Issuer to Treasury pursuant to the Definitive Agreement.

(rr) "Tier 1 Dividend Threshold" means, as of any particular date, the result of the following formula:

((A + B – C) * 0.9) – D

where:

A = Signing Date Tier 1 Capital Amount;

B = the aggregate Liquidation Amount of the Designated Preferred Stock issued to Treasury;

C = the aggregate amount of Charge-Offs since the Signing Date; and

D = (i) beginning on the first day of the eleventh (11th) Dividend Period, the amount equal to ten percent (10%) of the aggregate Liquidation Amount of the Designated Preferred Stock issued to Treasury as of the Effective Date (without regard to any redemptions of Designated Preferred Stock that may have occurred thereafter) for every one percent (1%) of positive Percentage Change in Qualified Small Business Lending between the ninth (9th) Dividend Period and the Baseline; and

(ii) zero (0) at all other times.

(ss) "Voting Parity Stock" means, with regard to any matter as to which the holders of Designated Preferred Stock are entitled to vote as specified in Section 7(d) of these Standard Provisions that form a part of the Certificate of Designation, any and all series of Parity Stock upon which like voting rights have been conferred and are exercisable with respect to such matter.

Section 3. Dividends.

(a) Rate.

(i) The "Applicable Dividend Rate" shall be determined as follows:

(1) With respect to the Initial Dividend Period, the Applicable Dividend Rate shall be one percent (1.0%).

(2) With respect to each of the second (2nd) through the tenth (10th) Dividend Periods, inclusive (in each case, the "Current Period"), the Applicable Dividend Rate shall be:

(A) (x) the applicable rate set forth in column "A" of the table in Section 3(a)(iii), based on the Percentage Change in QSBL between the Dividend Period that was two Dividend Periods prior to the Current Period (the "Dividend Reference Period") and the Baseline, multiplied by (y) the Qualifying Portion Percentage; plus

(B) (x) five percent (5%) multiplied by (y) the Non-Qualifying Portion Percentage.

In each such case, the Applicable Dividend Rate shall be determined at the time the Issuer delivers a complete and accurate Supplemental Report to Treasury with respect to the Dividend Reference Period.

(3) With respect to the eleventh (11th) through the eighteenth (18th) Dividend Periods, inclusive, and that portion of the nineteenth (19th) Dividend Period prior to, but not including, the four and one half (4½) year anniversary of the Original Issue Date, the Applicable Dividend Rate shall be:

(A) (x) the applicable rate set forth in column "B" of the table in Section 3(a)(iii), based on the Percentage Change in QSBL between the ninth (9th) Dividend Period and the Baseline, multiplied by (y) the Qualifying Portion Percentage, calculated as of the last day of the ninth (9th) Dividend Period; plus

(B) (x) five percent (5%) multiplied by (y) the Non-Qualifying Portion Percentage, calculated as of the last day of the ninth (9th) Dividend Period.

In such case, the Applicable Dividend Rate shall be determined at the time the Issuer delivers a complete and accurate Supplemental Report to Treasury with respect to the ninth (9th) Dividend Period.

(4) With respect to (A) that portion of the nineteenth (19th) Dividend Period beginning on the four and one half (4½) year anniversary of the Original Issue Date and (B) all Dividend Periods thereafter, the Applicable Dividend Rate shall be nine percent (9%).

(5) Notwithstanding anything herein to the contrary, if the Issuer fails to submit a Supplemental Report that is due during any of the second (2nd) through tenth (10th) Dividend Periods on or before the sixtieth (60th) day of such Dividend Period, the Issuer's QSBL for the Dividend Period that would have been covered by such Supplemental Report shall be zero (0) for purposes hereof.

(6) Notwithstanding anything herein to the contrary, but subject to Section 3(a)(i)(5) above, if the Issuer fails to submit the Supplemental Report that is due during the tenth (10th) Dividend Period, the Issuer's QSBL for the shall be zero (0) for purposes of calculating the Applicable Dividend Rate pursuant to Section 3(a)(i)(3) and (4). The Applicable Dividend Rate shall be re-determined effective as of the first day of the calendar quarter following the date such failure is remedied, provided it is remedied prior to the four and one half (4½) anniversary of the Original Issue Date.

(7) Notwithstanding anything herein to the contrary, if the Issuer fails to submit any of the certificates required by Sections 3.1(d)(ii) or 3.1(d)(iii) of the Definitive Agreement when and as required thereby, the Issuer's QSBL for the shall be zero (0) for purposes of calculating the Applicable Dividend Rate pursuant to Section 3(a)(i)(2) or (3) above until such failure is remedied.

(ii) The "Percentage Change in Qualified Lending" between any given Dividend Period and the Baseline shall be the result of the following formula, expressed as a percentage:

$$\frac{(\text{QSBL for the Dividend Period} - \text{Baseline})}{\text{Baseline}} \times 100$$

(iii) The following table shall be used for determining the Applicable Dividend Rate:

If the Percentage Change in Qualified Lending is:	*The Applicable Dividend Rate shall be:*	
	Column "A" (each of the 2nd – 10th Dividend Periods)	*Column "B" (11th – 18th, and the first part of the 19th, Dividend Periods)*
0% or less	5%	7%
More than 0%, but less than 2.5%	5%	5%
2.5% or more, but less than 5%	4%	4%
5% or more, but less than 7.5%	3%	3%
7.5% or more, but less than 10%	2%	2%
10% or more	1%	1%

(iv) If the Issuer consummates a Business Combination, a purchase of loans or a purchase of participations in loans and the Designated Preferred Stock remains outstanding thereafter, then the Baseline shall thereafter be the "Quarter-End Adjusted Small Business Lending Baseline" set forth on the Quarterly Supplemental Report (as defined in the Definitive Agreement).

(b) Payment. Holders of Designated Preferred Stock shall be entitled to receive, on each share of Designated Preferred Stock if, as and when declared by the Board of Directors or any duly authorized committee of the Board of Directors, but only out of assets legally available therefor, non-cumulative cash dividends with respect to:

(i) each Dividend Period (other than the Initial Dividend Period) at a rate equal to one-fourth (¼) of the Applicable Dividend Rate with respect to each Dividend Period on the Liquidation Amount per share of Designated Preferred Stock, and no more, payable quarterly in arrears on each Dividend Payment Date; and

(ii) the Initial Dividend Period, on the first such Dividend Payment Date to occur at least twenty (20) calendar days after the Original Issue Date, an amount equal to (A) the Applicable Dividend Rate with respect to the Initial Dividend Period multiplied by (B) the number of days from the Original Issue Date to the last day of the Initial Dividend Period (inclusive) divided by 360.

In the event that any Dividend Payment Date would otherwise fall on a day that is not a Business Day, the dividend payment due on that date will be postponed to the next day that is a Business Day and no additional dividends will accrue as a result of that postponement. For avoidance of doubt, "payable quarterly in arrears" means that, with respect to any particular Dividend Period, dividends begin accruing on the first day of such Dividend Period and are payable on the first day of the next Dividend Period.

The amount of dividends payable on Designated Preferred Stock on any date prior to the end of a Dividend Period, and for the initial Dividend Period, shall be computed on the basis of a 360-day year consisting of four 90-day quarters, and actual days elapsed over a 90-day quarter.

Dividends that are payable on Designated Preferred Stock on any Dividend Payment Date will be payable to holders of record of Designated Preferred Stock as they appear on the stock register of the Issuer on the applicable record date, which shall be the 15th calendar day immediately preceding such Dividend Payment Date or such other record date fixed by the Board of Directors or any duly authorized committee of the Board of Directors that is not more than 60 nor less than 10 days prior to such Dividend Payment Date (each, a "Dividend Record Date"). Any such day that is a Dividend Record Date shall be a Dividend Record Date whether or not such day is a Business Day.

Holders of Designated Preferred Stock shall not be entitled to any dividends, whether payable in cash, securities or other property, other than dividends (if any) declared and payable on Designated Preferred Stock as specified in this Section 3 (subject to the other provisions of the Certificate of Designation).

(c) Non-Cumulative. Dividends on shares of Designated Preferred Stock shall be non-cumulative. If the Board of Directors or any duly authorized committee of the Board of Directors does not declare a dividend on the Designated Preferred Stock in respect of any Dividend Period:

(i) the holders of Designated Preferred Stock shall have no right to receive any dividend for such Dividend Period, and the Issuer shall have no obligation to pay a dividend for such Dividend Period, whether or not dividends are declared for any subsequent Dividend Period with respect to the Designated Preferred Stock; and

(ii) the Issuer shall, within five (5) calendar days, deliver to the holders of the Designated Preferred Stock a written notice executed by the Chief Executive Officer and the Chief Financial Officer of the Issuer stating the Board of Directors' rationale for not declaring dividends.

(d) Priority of Dividends; Restrictions on Dividends.

(i) Subject to Sections 3(d)(ii), (iii) and (v) and any restrictions imposed by the Appropriate Federal Banking Agency or, if applicable, the Issuer's state bank supervisor (as defined in Section 3(r) of the Federal Deposit Insurance Act (12 U.S.C. § 1813(q)), so long as any share of Designated Preferred Stock remains outstanding, the Issuer may declare and pay dividends on the Common Stock, any other shares of Junior Stock, or Parity Stock, in each case only if (A) after giving effect to such dividend the Issuer's Tier 1 capital would be at least equal to the Tier 1 Dividend Threshold, and (B) full dividends on all outstanding shares of Designated Preferred Stock for the most recently completed Dividend Period have been or are contemporaneously declared and paid.

(ii) If a dividend is not declared and paid in full on the Designated Preferred Stock in respect of any Dividend Period, then from the last day of such Dividend Period until the last day of the third (3rd) Dividend Period immediately following it, no dividend or distribution shall be declared or paid on the Common Stock or any other shares of Junior Stock (other than dividends payable solely in shares of Common Stock) or Parity Stock; provided, however, that in any such Dividend Period in which a dividend is declared and paid on the Designated Preferred Stock, dividends may be paid on Parity Stock to the extent necessary to avoid any material breach of a covenant by which the Issuer is bound.

(iii) When dividends have not been declared and paid in full for an aggregate of four (4) Dividend Periods or more, and during such time the Issuer was not subject to a regulatory determination that prohibits the declaration and payment of dividends, the Issuer shall, within five (5) calendar days of each missed payment, deliver to the holders of the Designated Preferred Stock a certificate executed by at least a majority of the Board of Directors stating that the Board of Directors used its best efforts to declare and pay such dividends in a manner consistent with (A) safe and sound banking practices and (B) the directors' fiduciary obligations.

(iv) Subject to the foregoing and Section 3(e) below and not otherwise, such dividends (payable in cash, securities or other property) as may be determined by the Board of Directors or any duly authorized committee of the Board of Directors may be declared and paid on any securities, including Common

Stock and other Junior Stock, from time to time out of any funds legally available for such payment, and holders of Designated Preferred Stock shall not be entitled to participate in any such dividends.

(v) If the Issuer is not Publicly-Traded, then after the tenth (10th) anniversary of the Signing Date, so long as any share of Designated Preferred Stock remains outstanding, no dividend or distribution shall be declared or paid on the Common Stock or any other shares of Junior Stock (other than dividends payable solely in shares of Common Stock) or Parity Stock.

(e) Special Lending Incentive Fee Related to CPP. If Treasury held Previously Acquired Preferred Shares immediately prior to the Original Issue Date and the Issuer did not apply to Treasury to redeem such Previously Acquired Preferred Shares prior to December 16, 2010, and if the Issuer's Supplemental Report with respect to the ninth (9th) Dividend Period reflects an amount of Qualified Small Business Lending that is less than or equal to the Baseline (or if the Issuer fails to timely file a Supplemental Report with respect to the ninth (9th) Dividend Period), then beginning on April 1, 2014 and on all Dividend Payment Dates thereafter ending on April 1, 2016, the Issuer shall pay to the Holders of Designated Preferred Stock, on each share of Designated Preferred Stock, but only out of assets legally available therefor, a fee equal to 0.5% of the Liquidation Amount per share of Designated Preferred Stock ("CPP Lending Incentive Fee"). All references in Section 3(d) to "dividends" on the Designated Preferred Stock shall be deemed to include the CPP Lending Incentive Fee.

Section 4. Liquidation Rights.

(a) Voluntary or Involuntary Liquidation. In the event of any liquidation, dissolution or winding up of the affairs of the Issuer, whether voluntary or involuntary, holders of Designated Preferred Stock shall be entitled to receive for each share of Designated Preferred Stock, out of the assets of the Issuer or proceeds thereof (whether capital or surplus) available for distribution to stockholders of the Issuer, subject to the rights of any creditors of the Issuer, before any distribution of such assets or proceeds is made to or set aside for the holders of Common Stock and any other stock of the Issuer ranking junior to Designated Preferred Stock as to such distribution, payment in full in an amount equal to the sum of (i) the Liquidation Amount per share and (ii) the amount of any accrued and unpaid dividends on each such share (such amounts collectively, the "Liquidation Preference").

(b) Partial Payment. If in any distribution described in Section 4(a) above the assets of the Issuer or proceeds thereof are not sufficient to pay in full the amounts payable with respect to all outstanding shares of Designated Preferred Stock and the corresponding amounts payable with respect of any other stock of the Issuer ranking equally with Designated Preferred Stock as to such distribution, holders of Designated Preferred Stock and the holders of such other stock shall share ratably in any such distribution in proportion to the full respective distributions to which they are entitled.

(c) Residual Distributions. If the Liquidation Preference has been paid in full to all holders of Designated Preferred Stock and the corresponding amounts payable with respect of any other stock of the Issuer ranking equally with Designated Preferred Stock as to such distribution has been paid in full, the holders of other stock of the Issuer shall be entitled to receive all remaining assets of the Issuer (or proceeds thereof) according to their respective rights and preferences.

(d) Merger, Consolidation and Sale of Assets Is Not Liquidation. For purposes of this Section 4, the merger or consolidation of the Issuer with any other corporation or other entity, including a merger or consolidation in which the holders of Designated Preferred Stock receive cash, securities or other property for their shares, or the sale, lease or exchange (for cash, securities or other property) of all or substantially all of the assets of the Issuer, shall not constitute a liquidation, dissolution or winding up of the Issuer.

Section 5. Redemption.

(a) Optional Redemption.

(i) Subject to the other provisions of this Section 5:

(1) The Issuer, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, in whole or in part, at any time and from time to time, out of funds legally available therefor, the shares of Designated Preferred Stock at the time outstanding; and

(2) If, after the Signing Date, there is a change in law that modifies the terms of Treasury's investment in the Designated Preferred Stock or the terms of Treasury's Small Business Lending Fund program in a materially adverse respect for the Issuer, the Issuer may, after consultation with the Appropriate Federal Banking Agency, redeem all of the shares of Designated Preferred Stock at the time outstanding.

(ii) The per-share redemption price for shares of Designated Preferred Stock shall be equal to the sum of:

(1) the Liquidation Amount per share,

(2) the per-share amount of any unpaid dividends for the then current Dividend Period at the Applicable Dividend Rate to, but excluding, the date fixed for redemption (regardless of whether any dividends are actually declared for that Dividend Period; and

(3) the pro rata amount of CPP Lending Incentive Fees for the current Dividend Period.

The redemption price for any shares of Designated Preferred Stock shall be payable on the redemption date to the holder of such shares against surrender of the certificate(s) evidencing such shares to the Issuer or its agent. Any declared but unpaid dividends for the then current Dividend Period payable on a redemption date that occurs subsequent to the Dividend Record Date for a Dividend Period shall not be paid to the holder entitled to receive the redemption price on the redemption date, but rather shall be paid to the holder of record of the redeemed shares on such Dividend Record Date relating to the Dividend Payment Date as provided in Section 3 above.

(b) No Sinking Fund. The Designated Preferred Stock will not be subject to any mandatory redemption, sinking fund or other similar provisions. Holders of Designated Preferred Stock will have no right to require redemption or repurchase of any shares of Designated Preferred Stock.

(c) Notice of Redemption. Notice of every redemption of shares of Designated Preferred Stock shall be given by first class mail, postage prepaid, addressed to the holders of record of the shares to be redeemed at their respective last addresses appearing on the books of the Issuer. Such mailing shall be at least 30 days and not more than 60 days before the date fixed for redemption. Any notice mailed as provided in this Subsection shall be conclusively presumed to have been duly given, whether or not the holder receives such notice, but failure duly to give such notice by mail, or any defect in such notice or in the mailing thereof, to any holder of shares of Designated Preferred Stock designated for redemption shall not affect the validity of the proceedings for the redemption of any other shares of Designated Preferred Stock. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Company or any other similar facility, notice of redemption may be given to the holders of Designated Preferred Stock at such time and in any manner permitted by such facility. Each notice of redemption given to a holder shall state: (1) the redemption date; (2) the number of shares of Designated Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder; (3) the redemption price; and (4) the place or places where certificates for such shares are to be surrendered for payment of the redemption price.

(d) Partial Redemption. In case of any redemption of part of the shares of Designated Preferred Stock at the time outstanding, the shares to be redeemed shall be selected either pro rata or in such other manner as the Board of Directors or a duly authorized committee thereof may determine to be fair and equitable, but in any event the

shares to be redeemed shall not be less than the Minimum Amount. Subject to the provisions hereof, the Board of Directors or a duly authorized committee thereof shall have full power and authority to prescribe the terms and conditions upon which shares of Designated Preferred Stock shall be redeemed from time to time, subject to the approval of the Appropriate Federal Banking Agency. If fewer than all the shares represented by any certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without charge to the holder thereof.

(e) Effectiveness of Redemption. If notice of redemption has been duly given and if on or before the redemption date specified in the notice all funds necessary for the redemption have been deposited by the Issuer, in trust for the pro rata benefit of the holders of the shares called for redemption, with a bank or trust company doing business in the Borough of Manhattan, The City of New York, and having a capital and surplus of at least $500 million and selected by the Board of Directors, so as to be and continue to be available solely therefor, then, notwithstanding that any certificate for any share so called for redemption has not been surrendered for cancellation, on and after the redemption date dividends shall cease to accrue on all shares so called for redemption, all shares so called for redemption shall no longer be deemed outstanding and all rights with respect to such shares shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive the amount payable on such redemption from such bank or trust company, without interest. Any funds unclaimed at the end of three years from the redemption date shall, to the extent permitted by law, be released to the Issuer, after which time the holders of the shares so called for redemption shall look only to the Issuer for payment of the redemption price of such shares.

(f) Status of Redeemed Shares. Shares of Designated Preferred Stock that are redeemed, repurchased or otherwise acquired by the Issuer shall revert to authorized but unissued shares of Preferred Stock (provided that any such cancelled shares of Designated Preferred Stock may be reissued only as shares of any series of Preferred Stock other than Designated Preferred Stock).

Section 6. Conversion. Holders of Designated Preferred Stock shares shall have no right to exchange or convert such shares into any other securities.

Section 7. Voting Rights.

(a) General. The holders of Designated Preferred Stock shall not have any voting rights except as set forth below or as otherwise from time to time required by law.

(b) Board Observation Rights. Whenever, at any time or times, dividends on the shares of Designated Preferred Stock have not been declared and paid in full within five (5) Business Days after each Dividend Payment Date for an aggregate of five (5) Dividend Periods or more, whether or not consecutive, the Issuer shall invite a representative selected by the holders of a majority of the outstanding shares of Designated Preferred Stock, voting as a single class, to attend all meetings of its Board of Directors in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors in connection with such meetings; provided, that the holders of the Designated Preferred Stock shall not be obligated to select such a representative, nor shall such representative, if selected, be obligated to attend any meeting to which he/she is invited. The rights of the holders of the Designated Preferred Stock set forth in this Section 7(b) shall terminate when full dividends have been timely paid on the Designated Preferred Stock for at least four consecutive Dividend Periods, subject to revesting in the event of each and every subsequent default of the character above mentioned.

(c) Preferred Stock Directors. Whenever, at any time or times, (i) dividends on the shares of Designated Preferred Stock have not been declared and paid in full within five (5) Business Days after each Dividend Payment Date for an aggregate of six (6) Dividend Periods or more, whether or not consecutive, and (ii) the aggregate liquidation preference of the then-outstanding shares of Designated Preferred Stock is greater than or equal to $25,000,000, the authorized number of directors of the Issuer shall automatically be increased by two and the holders of the Designated Preferred Stock, voting as a single class, shall have the right, but not the obligation, to elect two directors (hereinafter the “Preferred Directors” and each a “Preferred Director”) to fill such newly created directorships at the Issuer’s next annual meeting of stockholders (or, if the next annual meeting is not yet scheduled or is scheduled to occur more than thirty days later, the President of the Company shall promptly call a special meeting for that purpose) and at each subsequent annual meeting of stockholders until full dividends have been timely paid on the Designated

Preferred Stock for at least four consecutive Dividend Periods, at which time such right shall terminate with respect to the Designated Preferred Stock, except as herein or by law expressly provided, subject to revesting in the event of each and every subsequent default of the character above mentioned; provided that it shall be a qualification for election for any Preferred Director that the election of such Preferred Director shall not cause the Issuer to violate any corporate governance requirements of any securities exchange or other trading facility on which securities of the Issuer may then be listed or traded that listed or traded companies must have a majority of independent directors. Upon any termination of the right of the holders of shares of Designated Preferred Stock to vote for directors as provided above, the Preferred Directors shall cease to be qualified as directors, the term of office of all Preferred Directors then in office shall terminate immediately and the authorized number of directors shall be reduced by the number of Preferred Directors elected pursuant hereto. Any Preferred Director may be removed at any time, with or without cause, and any vacancy created thereby may be filled, only by the affirmative vote of the holders a majority of the shares of Designated Preferred Stock at the time outstanding voting separately as a class. If the office of any Preferred Director becomes vacant for any reason other than removal from office as aforesaid, the holders of a majority of the outstanding shares of Designated Preferred Stock, voting as a single class, may choose a successor who shall hold office for the unexpired term in respect of which such vacancy occurred.

(d) Class Voting Rights as to Particular Matters. So long as any shares of Designated Preferred Stock are outstanding, in addition to any other vote or consent of stockholders required by law or by the Charter, the written consent of (x) Treasury if Treasury holds any shares of Designated Preferred Stock, or (y) the holders of a majority of the outstanding shares of Designated Preferred Stock, voting as a single class, if Treasury does not hold any shares of Designated Preferred Stock, shall be necessary for effecting or validating:

(i) Authorization of Senior Stock. Any amendment or alteration of the Certificate of Designation for the Designated Preferred Stock or the Charter to authorize or create or increase the authorized amount of, or any issuance of, any shares of, or any securities convertible into or exchangeable or exercisable for shares of, any class or series of capital stock of the Issuer ranking senior to Designated Preferred Stock with respect to either or both the payment of dividends and/or the distribution of assets on any liquidation, dissolution or winding up of the Issuer;

(ii) Amendment of Designated Preferred Stock. Any amendment, alteration or repeal of any provision of the Certificate of Designation for the Designated Preferred Stock or the Charter (including, unless no vote on such merger or consolidation is required by Section 7(d)(iii) below, any amendment, alteration or repeal by means of a merger, consolidation or otherwise) so as to adversely affect the rights, preferences, privileges or voting powers of the Designated Preferred Stock;

(iii) Share Exchanges, Reclassifications, Mergers and Consolidations. Subject to Section 7(d)(v) below, any consummation of a binding share exchange or reclassification involving the Designated Preferred Stock, or of a merger or consolidation of the Issuer with another corporation or other entity, unless in each case (x) the shares of Designated Preferred Stock remain outstanding or, in the case of any such merger or consolidation with respect to which the Issuer is not the surviving or resulting entity, are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (y) such shares remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, and limitations and restrictions thereof that are the same as the rights, preferences, privileges and voting powers, and limitations and restrictions thereof, of Designated Preferred Stock immediately prior to such consummation, taken as a whole; provided, that in all cases, the obligations of the Issuer are assumed (by operation of law or by express written assumption) by the resulting entity or its ultimate parent;

(iv) Certain Asset Sales. Any sale of all, substantially all, or any material portion of, the assets of the Company, if the Designated Preferred Stock will not be redeemed in full contemporaneously with the consummation of such sale; and

(v) Holding Company Transactions. Any consummation of a Holding Company Transaction, unless as a result of the Holding Company Transaction each share of Designated Preferred Stock

shall be converted into or exchanged for one share with an equal liquidation preference of preference securities of the Issuer or the Acquiror (the "Holding Company Preferred Stock"). Any such Holding Company Preferred Stock shall entitle holders thereof to dividends from the date of issuance of such Holding Company Preferred Stock on terms that are equivalent to the terms set forth herein, and shall have such other rights, preferences, privileges and voting powers, and limitations and restrictions thereof that are the same as the rights, preferences, privileges and voting powers, and limitations and restrictions thereof, of Designated Preferred Stock immediately prior to such conversion or exchange, taken as a whole;

provided, *however*, that for all purposes of this Section 7(d), any increase in the amount of the authorized Preferred Stock, including any increase in the authorized amount of Designated Preferred Stock necessary to satisfy preemptive or similar rights granted by the Issuer to other persons prior to the Signing Date, or the creation and issuance, or an increase in the authorized or issued amount, whether pursuant to preemptive or similar rights or otherwise, of any other series of Preferred Stock, or any securities convertible into or exchangeable or exercisable for any other series of Preferred Stock, ranking equally with and/or junior to Designated Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and the distribution of assets upon liquidation, dissolution or winding up of the Issuer will not be deemed to adversely affect the rights, preferences, privileges or voting powers, and shall not require the affirmative vote or consent of, the holders of outstanding shares of the Designated Preferred Stock.

(e) Changes after Provision for Redemption. No vote or consent of the holders of Designated Preferred Stock shall be required pursuant to Section 7(d) above if, at or prior to the time when any such vote or consent would otherwise be required pursuant to such Section, all outstanding shares of the Designated Preferred Stock shall have been redeemed, or shall have been called for redemption upon proper notice and sufficient funds shall have been deposited in trust for such redemption, in each case pursuant to Section 5 above.

(f) Procedures for Voting and Consents. The rules and procedures for calling and conducting any meeting of the holders of Designated Preferred Stock (including, without limitation, the fixing of a record date in connection therewith), the solicitation and use of proxies at such a meeting, the obtaining of written consents and any other aspect or matter with regard to such a meeting or such consents shall be governed by any rules of the Board of Directors or any duly authorized committee of the Board of Directors, in its discretion, may adopt from time to time, which rules and procedures shall conform to the requirements of the Charter, the Bylaws, and applicable law and the rules of any national securities exchange or other trading facility on which Designated Preferred Stock is listed or traded at the time.

Section 8. Restriction on Redemptions and Repurchases.

(a) Subject to Sections 8(b) and (c), so long as any share of Designated Preferred Stock remains outstanding, the Issuer may repurchase or redeem any shares of Capital Stock (as defined below), in each case only if (i) after giving effect to such dividend, repurchase or redemption, the Issuer's Tier 1 capital would be at least equal to the Tier 1 Dividend Threshold and (ii) dividends on all outstanding shares of Designated Preferred Stock for the most recently completed Dividend Period have been or are contemporaneously declared and paid (or have been declared and a sum sufficient for the payment thereof has been set aside for the benefit of the holders of shares of Designated Preferred Stock on the applicable record date).

(b) If a dividend is not declared and paid on the Designated Preferred Stock in respect of any Dividend Period, then from the last day of such Dividend Period until the last day of the third (3rd) Dividend Period immediately following it, neither the Issuer nor any Issuer Subsidiary shall, redeem, purchase or acquire any shares of Common Stock, Junior Stock, Parity Stock or other capital stock or other equity securities of any kind of the Issuer or any Issuer Subsidiary, or any trust preferred securities issued by the Issuer or any Affiliate of the Issuer ("Capital Stock"), (other than (i) redemptions, purchases, repurchases or other acquisitions of the Designated Preferred Stock and (ii) repurchases of Junior Stock or Common Stock in connection with the administration of any employee benefit plan in the ordinary course of business (including purchases to offset any Share Dilution Amount pursuant to a publicly announced repurchase plan) and consistent with past practice; provided that any purchases to offset the Share Dilution Amount shall in no event exceed the Share Dilution Amount, (iii) the acquisition by the Issuer or any of the Issuer

Subsidiaries of record ownership in Junior Stock or Parity Stock for the beneficial ownership of any other persons (other than the Issuer or any other Issuer Subsidiary), including as trustees or custodians, (iv) the exchange or conversion of Junior Stock for or into other Junior Stock or of Parity Stock or trust preferred securities for or into other Parity Stock (with the same or lesser aggregate liquidation amount) or Junior Stock, in each case set forth in this clause (iv), solely to the extent required pursuant to binding contractual agreements entered into prior to the Signing Date or any subsequent agreement for the accelerated exercise, settlement or exchange thereof for Common Stock, (v) redemptions of securities held by the Issuer or any wholly-owned Issuer Subsidiary or (vi) redemptions, purchases or other acquisitions of capital stock or other equity securities of any kind of any Issuer Subsidiary required pursuant to binding contractual agreements entered into prior to (x) if Treasury held Previously Acquired Preferred Shares immediately prior to the Original Issue Date, the original issue date of such Previously Acquired Preferred Shares, or (y) otherwise, the Signing Date).

(c) If the Issuer is not Publicly-Traded, then after the tenth (10th) anniversary of the Signing Date, so long as any share of Designated Preferred Stock remains outstanding, no Common Stock, Junior Stock or Parity Stock shall be, directly or indirectly, purchased, redeemed or otherwise acquired for consideration by the Issuer or any of its subsidiaries.

Section 9. No Preemptive Rights. No share of Designated Preferred Stock shall have any rights of preemption whatsoever as to any securities of the Issuer, or any warrants, rights or options issued or granted with respect thereto, regardless of how such securities, or such warrants, rights or options, may be designated, issued or granted.

Section 10. References to Line Items of Supplemental Reports. If Treasury modifies the form of Supplemental Report, pursuant to its rights under the Definitive Agreement, and any such modification includes a change to the caption or number of any line item on the Supplemental Report, then any reference herein to such line item shall thereafter be a reference to such re-captioned or re-numbered line item.

Section 11. Record Holders. To the fullest extent permitted by applicable law, the Issuer and the transfer agent for Designated Preferred Stock may deem and treat the record holder of any share of Designated Preferred Stock as the true and lawful owner thereof for all purposes, and neither the Issuer nor such transfer agent shall be affected by any notice to the contrary.

Section 12. Notices. All notices or communications in respect of Designated Preferred Stock shall be sufficiently given if given in writing and delivered in person or by first class mail, postage prepaid, or if given in such other manner as may be permitted in this Certificate of Designation, in the Charter or Bylaws or by applicable law. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Company or any similar facility, such notices may be given to the holders of Designated Preferred Stock in any manner permitted by such facility.

Section 13. Replacement Certificates. The Issuer shall replace any mutilated certificate at the holder's expense upon surrender of that certificate to the Issuer. The Issuer shall replace certificates that become destroyed, stolen or lost at the holder's expense upon delivery to the Issuer of reasonably satisfactory evidence that the certificate has been destroyed, stolen or lost, together with any indemnity that may be reasonably required by the Issuer.

Section 14. Other Rights. The shares of Designated Preferred Stock shall not have any rights, preferences, privileges or voting powers or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or in the Charter or as provided by applicable law.

CERTIFICATE OF DESIGNATION, PREFERENCES AND RIGHTS

OF

SERIES D NONVOTING CONVERTIBLE PREFERRED STOCK

OF

ORIGIN BANCORP, INC.

Origin Bancorp, Inc., a corporation organized and existing under the laws of the State of Louisiana (the "Corporation") DOES HEREBY CERTIFY:

That pursuant to the authority conferred upon the Board of Directors by the Articles of Incorporation of the Corporation, the Board of Directors on December 10, 2012 adopted the following resolution creating a series of 950,000 shares of preferred stock designated as "Series D Nonvoting Convertible Preferred Stock" of no par value per share:

RESOLVED, that pursuant to the authority conferred upon the Board of Directors in accordance with the provisions of the Articles of Incorporation, a series of preferred stock, of no par value per share, of the Corporation be and hereby is created, and that the designation and number of shares thereof and the voting and other powers, preferences and relative, participating, optional or other rights of the shares of such series and the qualifications, limitations and restrictions thereof are as follows:

1. Definitions. As used herein, the following terms have the following meanings:

(a) "Affiliate" has the meaning set forth in 12 C.F.R. §225.2(a) or any successor provision.

(b) "Articles of Incorporation" means the Articles of Incorporation of the Corporation, as amended and in effect from time to time.

(c) "Board of Directors" means the board of directors of the Corporation.

(d) "business day" means any day other than a Saturday or a Sunday or a day on which banks in the State of Louisiana are authorized or required by law, executive order or regulation to close.

(e) "By-Laws" means the By-Laws of the Corporation, as amended and in effect from time to time.

(f) "Certificate" means a certificate representing one or more shares of Series D Preferred Stock.

(g) "Certificate of Designation" means this Certificate of Designation, Preferences and Rights of Series D Preferred Stock.

(h) "Common Stock" means the common stock of the Corporation, par value of five U.S. dollars ($5.00) per share.

(i) "Corporation" means Origin Bancorp, Inc., a corporation organized and existing under the laws of the State of Louisiana, and any successor Person.

(j) "Dividends" has the meaning set forth in Section 3.

(k) "Mandatory Conversion" has the meaning set forth in Section 5(b)(ii).

(l) "Mandatory Conversion Date" has the meaning set forth in Section 5(b)(ii).

(m) "Notice of Conversion" has the meaning set forth in Section 5(b)(iii).

(n) "Permissible Transfer" means a transfer by the holder of Series D Preferred Stock (i) to an Affiliate of such holder or to the Corporation, (ii) in a widespread public distribution of Common Stock or Series D Preferred Stock, (iii) in which no transferee (or group of associated transferees) would receive 2% or more of any class of Voting Securities of the Corporation (including pursuant to a related series of such transfers), or (iv) to a transferee that would control more than a majority of the Voting Securities of the Corporation (not including Voting Securities such Person is acquiring from the transferor).

(o) "Person" means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, or any other form of entity not specifically listed herein.

(p) "Reorganization Event" means (i) any consolidation, merger or other similar business combination of the Corporation with or into another Person, in each case pursuant to which the Common Stock will be converted into cash, securities or other property of the Corporation or another Person; (ii) any sale, transfer, lease or conveyance to another Person of all or substantially all of the property or assets of the Corporation, in each case pursuant to which the Common Stock will be converted into cash, securities or other property of the Corporation or another Person; or (iii) any change, including by capital reorganization, reclassification or otherwise (other than a transaction resulting in an adjustment pursuant to Section 3(b) below), of the Common Stock into securities including securities other than Common Stock.

(q) "Series D Liquidation Preference" has the meaning set forth in Section 4(b).

(r) "Series D Preferred Stock" has the meaning set forth in Section 2.

(s) "Voluntary Conversion" has the meaning set forth in Section 5(b)(i).

(t) "Voluntary Conversion Date" has the meaning set forth in Section 5(b)(i).

(u) "Voting Security" has the meaning set forth in 12 C.F.R. §225.2(q) or any successor provision.

2. Designation and Amount. There shall be a series of preferred stock of the Corporation, of no par value per share, which shall be designated "Series D Nonvoting Convertible Preferred Stock" (the "Series D Preferred Stock"), and the number of shares constituting that series shall be 950,000. Such number of shares may be increased or decreased by resolution of the Board of Directors and by the filing of a certificate in accordance with the provisions of the laws of the State of Louisiana stating that such increase or reduction has been so authorized; provided, however, that no decrease shall reduce the number of shares of Series D Preferred Stock to a number that is less than the number of shares of Series D Preferred Stock then outstanding plus the number of shares of Series D Preferred Stock issuable upon exercise of then outstanding rights, options or warrants or upon conversion of outstanding securities issued by the Corporation. Shares of Series D Preferred Stock that are redeemed, purchased or otherwise acquired by the Corporation shall be cancelled and shall revert to authorized and unissued shares of preferred stock, undesignated as to series and available for future issuance.

3. Dividends and Distributions; Adjustments for Combinations and Divisions of Common Stock.

(a) Holders of Series D Preferred Stock will be entitled to receive, when, as and if declared by the Board of Directors or a duly authorized committee of the Board of Directors, out of funds legally available therefor, non-cumulative Dividends (as defined below) in the amounts determined as set forth in this Section 3, and no more. The Series D Preferred Stock will rank subordinate and junior to all other shares of preferred stock other than those which, by their respective terms, rank pari passu with or junior to the Series D Preferred Stock and shall rank pari passu with the Common Stock with respect to the payment of dividends or distributions, whether payable in cash, securities,

options or other property, and with respect to the issuance of any rights to purchase stock, warrants, securities or other property (collectively, the "Dividends"). The holders of record of Series D Preferred Stock will be entitled to receive as, when, and if declared by the Board of Directors, Dividends in the same per share amount as the Dividends paid on a share of Common Stock, and no Dividends will be payable on the Common Stock or any other class or series of capital stock ranking with respect to Dividends pari passu with the Common Stock unless an identical Dividend is payable at the same time on the Series D Preferred Stock; provided, however, that if a stock Dividend is declared on Common Stock, the holders of Series D Preferred Stock will be entitled to a stock Dividend payable solely in shares of Series D Preferred Stock. Dividends that are payable on Series D Preferred Stock will be payable to the holders of record of Series D Preferred Stock as they appear on the stock register of the Corporation on the applicable record date, as determined by the Board of Directors, which record date will be the same as the record date for the equivalent Dividend of the Common Stock. In the event that the Board of Directors does not declare or pay any Dividends with respect to shares of Common Stock, then the holders of Series D Preferred Stock will have no right to receive any Dividends.

(b) Subject to Section 6 below, in the event that the Corporation at any time or from time to time will effect a division of the Common Stock into a greater number of shares (by stock split, reclassification or otherwise than by payment of a Dividend in Common Stock or in any right to acquire the Common Stock), or in the event the outstanding Common Stock will be combined or consolidated, by reclassification, reverse stock split or otherwise, into a lesser number of shares of the Common Stock, then the Series D Preferred Stock will, concurrently with the effectiveness of such event, be proportionately split, reclassified, combined, consolidated, reverse-split or otherwise, as appropriate, such that the number of shares of Common Stock and Series D Preferred Stock outstanding immediately following such event shall bear the same relationship to each other as did the number of shares of Common Stock and Series D Preferred Stock outstanding immediately prior to such event.

4. Liquidation, Dissolution or Winding Up.

(a) Rank. The Series D Preferred Stock will, with respect to rights upon liquidation, winding up and dissolution, rank subordinate and junior in right of payment to all other shares of preferred stock other than those which, by their respective terms, rank pari passu with or junior to the Series D Preferred Stock and shall rank senior to the Common Stock in respect of the Series D Liquidation Preference as set forth below.

(b) Liquidation Preference. Upon any voluntary liquidation, dissolution or winding up of the Corporation, subject to the rights of any holders of securities to which the rights of the holders of the Series D Preferred Stock are subordinate or on parity, the holders of Series D Preferred Stock shall be entitled to receive, and no distribution shall be made to the holders of shares of Common Stock or any other shares of capital stock of the Corporation ranking junior upon liquidation, dissolution or winding up to the Series D Preferred Stock, unless, prior thereto, the holders of Series D Preferred Stock shall have received an amount (the "Series D Liquidation Preference") equal to the greater of (i) one cent ($0.01) per share and (ii) the amount the holder of such share of Series D Preferred Stock would receive in respect of such share if such share had been converted into Common Stock at the time of such liquidation, dissolution or winding up (assuming the conversion of all shares of Series D Preferred Stock at such time, without regard to any limitations on conversion of the Series D Preferred Stock).

(c) Merger, Consolidation and Sale of Assets Not Liquidation. For purposes of this Section 4, the merger or consolidation of the Corporation with or into any other corporation or other entity, including a merger or consolidation in which the holders of Series D Preferred Stock receive cash, securities or other property for their shares, or the sale, lease or exchange (for cash, securities or property) of all or substantially all of the assets of the Corporation, will not constitute a liquidation, dissolution or winding up of the Corporation.

5. Transfer; Conversion.

(a) Transfer. Neither the initial holder of any share of Series D Preferred Stock nor any of its Affiliates shall be permitted to sell, transfer or otherwise dispose of such Series D Preferred Stock other than in a Permissible Transfer.

(b) Conversion.

(i) A holder of Series D Preferred Stock shall be permitted to convert, or upon the written request of the Corporation shall convert, shares of Series D Preferred Stock into shares of Common Stock (a "Voluntary Conversion"); *provided* that upon such conversion the holder, together with all Affiliates of the holder, will not own or control in the aggregate more than 9.99% of the Common Stock (or of any class of Voting Securities issued by the Corporation), excluding for the purpose of this calculation any reduction in ownership resulting from transfers by such holder and its Affiliates of Voting Securities of the Corporation (which, for the avoidance of doubt, does not include Series D Preferred Stock). In any such conversion, each share of Series D Preferred Stock will convert into one share of Common Stock. To effect the Voluntary Conversion, the holder shall surrender (the date of such surrender, the "Voluntary Conversion Date") the certificate or certificates evidencing such shares of Series D Preferred Stock, duly endorsed, at the registered office of the Corporation, and provide written instructions to the Corporation as to the number of whole shares for which such conversion shall be effected, together with any appropriate documentation that may be reasonably required by the Corporation. Upon the surrender of such certificate(s), the Corporation will issue and deliver to such holder a certificate or certificates for the number of shares of Common Stock into which the Series D Preferred Stock has been converted and, in the event that such conversion is with respect to some, but not all, of the holder's shares of Series D Preferred Stock, a certificate or certificate(s) representing the number of shares of Series D Preferred Stock that were not converted to Common Stock.

(ii) On the date (the "Mandatory Conversion Date") a holder of Series D Preferred Stock transfers any shares of Series D Preferred Stock to a non-Affiliate of the holder in a Permissible Transfer, each such transferred share of Series D Preferred Stock will automatically convert, immediately following such transfer and without any further action on the part of any holder, into one share of Common Stock (a "Mandatory Conversion").

(iii) As promptly as practicable following any Mandatory Conversion, the holder of the converted shares shall provide the Corporation a written notice of such conversion (a "Notice of Conversion"). In addition to any information required by applicable law or regulation, the Notice of Conversion shall state (x) the number of shares of Common Stock to be issued in respect of such conversion, (y) the name in which shares of Common Stock to be issued upon such conversion should be registered, and (z) the manner in which certificates of Series D Preferred Stock held by such holder are to be surrendered for issuance of certificates representing shares of Common Stock. No later than three (3) business days following delivery of the Notice of Conversion, with respect to any shares of Series D Preferred Stock as to which a Mandatory Conversion shall have occurred, the Corporation shall issue and deliver certificates representing shares of Common Stock to the holder thereof or such holder's designee upon presentation and surrender of the certificate evidencing such Series D Preferred Stock to the Corporation and, if required, furnishing appropriate endorsements and transfer documents and the payment of all transfer and similar taxes, and, in the event that such conversion is with respect to some, but not all, of the shares of Series D Preferred Stock represented by the certificate surrendered, the Corporation shall issue and deliver a certificate or certificate(s) representing the number of shares of Series D Preferred Stock that were not converted to Common Stock.

(iv) Shares of Series D Preferred Stock converted in accordance with this Section 5 will resume the status of authorized and unissued preferred stock, undesignated as to series and available for future issuance.

(v) Prior to the close of business on the Voluntary Conversion Date or Mandatory Conversion Date with respect to any share of Series D Preferred Stock, shares of Common Stock issuable upon conversion thereof, or other securities issuable upon conversion of such shares of Series D Preferred Stock, shall not be deemed outstanding for any purpose, and the holder thereof shall have no rights with respect to the Common Stock (including voting rights) by virtue of holding such share of Series D Preferred Stock.

(vi) All shares of Common Stock delivered upon conversion of the Series D Preferred Stock shall be duly authorized, validly issued, fully paid and non-assessable, free and clear of all liens, claims, security interests, charges and other encumbrances.

(c) No Impairment. The Corporation will not, by amendment of its Articles of Incorporation or the By-Laws or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of

securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions hereof, including Section 3(b) and this Section 5 and in the taking of all such actions as may be necessary or appropriate in order to protect the adjustment and conversion rights of the holders of the Series D Preferred Stock against impairment. Nothing in this Section 5(c) shall be deemed to grant approval or voting rights to the holders of Series D Preferred Stock that are in addition to those set forth in Section 9 hereof.

(d) Reservation of Shares Issuable upon Conversion. The Corporation will at all times reserve and keep available out of its authorized but unissued Common Stock solely for the purpose of effecting the conversion of the Series D Preferred Stock such number of shares of Common Stock as will from time to time be sufficient to effect the conversion of all outstanding Series D Preferred Stock; provided that if at any time the number of authorized but unissued Common Stock will not be sufficient to effect the conversion of all then outstanding Series D Preferred Stock, the Corporation will take such action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued Common Stock to such number of shares as will be sufficient for such purpose.

6. Reorganization Events.

(a) So long as any shares of Series D Preferred Stock are outstanding, if there occurs a Reorganization Event, then a holder of shares of Series D Preferred Stock shall, effective as of the consummation of such Reorganization Event, automatically receive for such Series D Preferred Stock the type and amount of securities, cash and other property receivable in such Reorganization Event by a holder of the number of shares of Common Stock into which the number of shares of Series D Preferred Stock held by such holder would then be convertible (without regard to any limitations on conversion of the Series D Preferred Stock).

(b) In the event that holders of shares of Common Stock have the opportunity to elect the form of consideration to be received in such transaction, the holders of Series D Preferred Stock shall be entitled to participate in such elections as if they had converted all of their Series D Preferred Stock into Common Stock immediately prior to the election deadline.

(c) For the avoidance of doubt, nothing set forth herein shall prohibit the Corporation from entering into or consummating a transaction constituting a Reorganization Event provided that the Series D Preferred Stock is treated as set forth in this Section 6.

7. Maturity; Redemption. The Series D Preferred Stock shall be perpetual unless converted in accordance with this Certificate of Designation. The Series D Preferred Stock will not be redeemable at the option of the Corporation or any holder of Series D Preferred Stock at any time. Notwithstanding the foregoing, nothing contained herein shall prohibit the Corporation from repurchasing or otherwise acquiring shares of Series D Preferred Stock in voluntary transactions with the holders thereof. Any shares of Series D Preferred Stock repurchased or otherwise acquired may be cancelled by the Corporation and thereafter be reissued as shares of any series of preferred stock of the Corporation.

8. Voting Rights. The holders of Series D Preferred Stock will not have any voting rights, except as provided in Section 9 below or as otherwise from time to time required by law.

9. Protective Provisions.

(a) So long as any shares of Series D Preferred Stock are outstanding, the vote or consent of the holders of a majority of the shares of Series D Preferred Stock at the time outstanding, voting as a single class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, will be necessary for effecting or validating any of the following actions, whether or not such approval is required by Louisiana law:

(i) any amendment, alteration or repeal (including by means of a merger, consolidation or otherwise) of any provision of the Articles of Incorporation (including this Certificate of Designation) or the By-Laws

that would adversely affect the rights or preferences of the Series D Preferred Stock (which shall not include, for the avoidance of doubt, any Reorganization Event in connection with which the Series D Preferred Stock is treated as provided in Section 6 above or any increase or decrease in the authorized amount of capital stock of the Corporation); or

(ii) the consummation of a Reorganization Event in connection with which the Series D Preferred Stock is not converted or otherwise treated as provided in Section 6.

Notwithstanding anything to the contrary herein, any increase in the amount of the authorized preferred stock or any securities convertible into preferred stock or the creation and issuance, or an increase in the authorized or issued amount, of any series of preferred stock or any securities convertible into preferred stock, in any case ranking equally with, junior to and/or senior to the Series D Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and/or the distribution of assets upon the Corporation's liquidation, dissolution or winding up will not, in and of itself, be deemed to adversely affect rights, preferences or privileges of the Series D Preferred Stock and, notwithstanding any provision of Louisiana law, holders of Series D Preferred Stock will have no right to vote solely by reason of such an increase, creation or issuance.

(b) Notwithstanding the foregoing, holders of Series D Preferred Stock shall not have any voting rights if, at or prior to the effective time of the act with respect to which such vote would otherwise be required, all outstanding shares of Series D Preferred Stock shall have been converted into shares of Common Stock.

(c) In the event that the Corporation makes (i) an offer to repurchase shares of Common Stock from all of the holders thereof, or (ii) a tender offer for any shares of Common Stock, the Corporation shall also offer to repurchase or make a tender offer for, as applicable, shares of Series D Preferred Stock pro rata based upon the number of shares of Common Stock such holders would be entitled to receive if such shares were converted into shares of Common Stock immediately prior to such repurchase and otherwise on terms which would provide the holders of the Series D Preferred Stock consideration and other terms equivalent to the terms offered to the holders of Common Stock assuming the Series D Preferred Stock were so converted.

10. Notices. Any notice required by the provisions hereof to be given to the holders of Series D Preferred Stock will be deemed given upon the earlier of (i) actual receipt and (ii) three (3) business days after being sent by certified or registered mail, postage prepaid, return receipt requested, and addressed to each holder of record at such holder's address as it appears on the books of the Corporation.

11. Record Holders. To the fullest extent permitted by law, the Corporation will be entitled to recognize the record holder of any share of Series D Preferred Stock as the true and lawful owner thereof for all purposes and will not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other Person, whether or not it will have express or other notice thereof.

12. No Preemptive Rights. Except as may be set forth in any agreement between the Corporation and any holder of Series D Preferred Stock, the holders of Series D Preferred Stock are not entitled to any preemptive or preferential right to purchase or subscribe for any capital stock, obligations, warrants or other securities or rights of the Corporation.

13. Replacement Certificates. In the event that any Certificate will have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by the Corporation, the posting by such Person of a bond in such amount as the Corporation may determine is necessary as indemnity against any claim that may be made against it with respect to such Certificate, the Corporation or the Corporation's transfer agent, as applicable, will deliver in exchange for such lost, stolen or destroyed Certificate a replacement Certificate.

14. Other Rights. The shares of Series D Preferred Stock have no rights, preferences, privileges or voting powers or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or as provided by applicable law.

Exhibit 3.2

ORIGIN BANCORP, INC.
RUSTON, LOUISIANA

BYLAWS

ARTICLE I.
OFFICES

Section 1.1. Principal Office. The principal office of this corporation (the "Corporation") shall be located in Ruston, Lincoln Parish, Louisiana. The Corporation may have such other offices as are allowable by the laws of the State of Louisiana and as the Board of Directors may designate or the business of the Corporation may require from time to time.

Section 1.2. Registered Office. The registered office of the Corporation required by the Louisiana Business Corporation Act ("LBCA") to be maintained in the State of Louisiana may be, but need not be, identical with the principal office in the State of Louisiana, and the address of the registered office may be changed from time to time by the Board of Directors as provided by law.

ARTICLE II.
STOCKHOLDERS

Section II.1. Place of Meeting. Meetings of the stockholders shall be held at such place, either within or without the State of Louisiana, as shall be determined by the Board of Directors and stated in the notice of the meeting.

Section II.2. Annual Meeting. The annual meeting of the stockholders shall be held at such time and date as the Board of Directors may determine, for the transaction of any and all business which may properly come before said meeting.

Section II.3. Special Meetings.

(a) Special meetings of the stockholders of the Corporation may be called for any purpose at any time by the Board of Directors, the Chairman of the Board or the Chief Executive Officer, and shall be called by the Secretary upon the written demand of the holders of at least 25% of all shares entitled to vote at the proposed meeting by means of a request made in accordance with procedures set forth in this Section 2.3.

(b) Any stockholder requesting a special meeting shall first request the Board of Directors to set a record date for determining those stockholders entitled to request such a special meeting (a "Meeting Request Record Date"), which request shall be in writing and also state the purpose of such special meeting. Within 10 days after the Corporation's receipt of such request to fix a Meeting Request Record Date, the Board of Directors may adopt a resolution fixing a Meeting Request Record Date for the purpose of determining the stockholders entitled to request that the Corporation call a special meeting of stockholders, which date shall not precede the date upon which the resolution fixing the Meeting Request Record Date is adopted by the Board of Directors. If no resolution fixing a Meeting Request Record Date has been adopted by the Board of Directors by the 10th day after the date on which such a request to fix a Meeting Request Record Date was received, the Meeting Request Record Date in respect thereof shall be deemed to be the 10th day after the date on which such request was received. Notwithstanding anything in this Section 2.3 to the contrary, no Meeting Request Record Date shall be fixed if the Board of Directors determines that the special meeting that would otherwise be requested would not comply with the requirements set forth in the Articles of Incorporation, these Bylaws or the LBCA.

(c) Without qualification, a special meeting of the stockholders shall not be called by stockholders unless stockholders of record as of the Meeting Request Record Date fixed in accordance with Section 2.3(b) who hold, in the aggregate, at least 25% of the outstanding shares of capital stock entitled to vote at the proposed meeting shall have delivered to the Secretary at the registered office of the Corporation

no later than 30 days after the Meeting Request Record Date, a request for such special meeting that is in proper form. To be in proper form, the stockholders' request for a special meeting must be written and set forth the information required by Section 2.6, as applicable, as if such special meeting was an annual meeting. If the Corporation determines that (i) the requesting stockholders own the requisite percentage of outstanding shares as of the Meeting Request Record Date, (ii) the business proposed to be transacted at such special meeting is a proper subject for stockholder action under the Articles of Incorporation, these Bylaws, and applicable law, and (iii) the requesting stockholders have otherwise validly requested a special meeting in accordance with these Bylaws and applicable law, then the Board of Directors shall fix a record date for determining which stockholders are entitled to notice of and to vote in such special meeting, and the Secretary shall, within 30 days after receipt of such valid request, call the special meeting, which shall be held at the place, date and time determined by the Board of Directors that is no earlier than 10 days and no later than 60 days after the delivery date of the request. The business conducted at the special meeting called by stockholders shall be limited to the business set forth in the stockholders' special meeting request; provided that the Board of Directors may submit additional matters to the stockholders at such special meeting by including those matters in the notice of the special meeting of stockholders or in any supplement thereto. In the event any revocation(s) from any of the stockholders requesting the special meeting are received by the Secretary and, as a result of such revocation(s), there no longer are valid unrevoked requests from stockholders holding the requisite percentage of shares necessary to request a special meeting, the Board of Directors shall have the discretion to determine whether or not to proceed with the special meeting. The provisions of Section 2.6 will apply with respect to the eligibility of stockholder proposals on the same basis as if the meeting were an annual meeting.

(d) Notwithstanding anything in these Bylaws to the contrary, the Corporation shall not be required to call a special meeting if (i) the special meeting request does not comply with the Articles of Incorporation, these Bylaws or applicable law or (ii) the delivery date of the special meeting request occurs during the period commencing 60 days prior to the first anniversary of the date of the immediately preceding annual meeting of stockholders and ending on the date of the final adjournment of the next annual meeting of stockholders.

Section II.4. Notice. Written notice stating the place, date and time of any meeting of stockholders, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given not less than 10 nor more than 60 days before the date of the meeting, by the Corporation to each stockholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the stockholder at such stockholder's address as it appears on the share transfer records of the Corporation, postage prepaid. See ARTICLE VIII.

Section II.5. Adjournments. Any meeting of stockholders may be adjourned from time to time by the presiding officer of the meeting or by the holders of a majority of the shares entitled to vote who are present in person or represented by proxy to reconvene at a later time or date and at the same or some other place, and notice need not be given of any such adjournment of meeting if the time, date and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, any business may be transacted that could have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section II.6. Notice of Stockholder Proposals. At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (ii) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (iii) a proper matter for stockholder action that has been properly brought before the meeting by a stockholder who complies with the notice procedures set forth in this Section and who is a stockholder of record on the date of the giving of notice provided for in this Section 2.6, on the record date for the determination of stockholders entitled to vote at such annual meeting and on the date of the meeting. For such business to be considered properly brought before the meeting by a stockholder, such stockholder must, in addition to any other applicable requirements,

have given timely notice in proper form of such stockholder's intent to bring such business before such meeting. To be timely given, a stockholder's notice must be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than the close of business on the 90th day, nor earlier than the close of business on the 120th day, prior to the anniversary date of the immediately preceding year's annual meeting; provided, however, that in the event that the annual meeting is called for a date that is not within 30 days before or after such anniversary date, notice by the stockholder to be timely must be so delivered not later than the close of business on the 10th day following the date on which such notice of the date of the meeting was mailed or public disclosure of the date of the meeting was made, whichever occurs first. To be in proper form, a stockholder's notice to the Secretary shall be in writing and shall set forth: (a) the name and record address of the stockholder who intends to propose the business and the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such stockholder; (b) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to introduce the business specified in the notice; (c) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting; (d) any material interest of the stockholder in such business; and (e) any other information that is required to be provided by the stockholder under Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). In addition to being timely, a stockholder's notice shall promptly update and supplement any information previously provided to the Corporation under this Section 2.6, if necessary, so that the information provided or required to be provided shall be continue to be true and complete as of the date that is ten business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to the Secretary at the registered office of the Corporation not later than five business days prior to the date for the meeting or the applicable adjournment or postponement thereof in the case of an adjourned or postponed meeting.

Notwithstanding the foregoing, in order to include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholder's meeting, stockholders must provide notice as required by, and otherwise comply with the requirements of, the Exchange Act and the regulations promulgated thereunder. No business shall be conducted at the annual meeting except business brought before the annual meeting in accordance with the procedures set forth in this Section. The chairman of the meeting may refuse to acknowledge the proposal of any business not made in compliance with the foregoing procedure. In addition, if the stockholder (or a qualified representative of the stockholder) does not appear at the meeting of stockholders to present a nomination or proposal, such nomination or proposal shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation. Except as required by law, nothing in this Section shall obligate the Corporation or the Board of Directors to include in any proxy statement or other stockholder communication distributed on behalf of the Corporation or the Board of Directors information with respect to any proposal submitted by a stockholder.

Section II.7. Nominations for Directors. Subject to the rights granted to a particular class or series of stock, nominations for the election of directors may be made (i) by or at the direction of the Board of Directors or (ii) by any stockholder entitled to vote for the election of directors who complies with the procedures set forth in this Section. In addition to any other applicable requirements, all nominations by stockholders must be given in a timely manner in proper written form to the Secretary. To be timely given, a stockholder's notice must be delivered to, or mailed and received by, to the Secretary at the registered office of the Corporation, in the case of an annual meeting, in accordance with the provisions set forth in Section 2.6, and, in the case of a special meeting of stockholders called for the purpose of electing directors, not later than the close of business on the tenth day following the day on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever occurs first. To be in proper written form, the stockholder's notice must set forth in writing as to each person whom the stockholder proposes to nominate for election as a director (a) the name, age, business address and residence address of the person, (b) the principal occupation or employment of the person, (c) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by the person, (d) a description of all arrangements or understandings between the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nominations are to be made by the stockholder, and (e) any other information relating to such person that is required to be disclosed in solicitations of proxies for elections of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including without limitation such person's written consent to being named in the proxy statement, if any, as a nominee and to serving as a director if elected). The stockholder's notice must also contain as to such stockholder giving notice, the information required

to be provided under Section 2.6 of this Article. No person shall be eligible for election as a director unless nominated in accordance with the procedures set forth in these Bylaws. The presiding officer of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedures. Except as required by law, nothing in this Section shall obligate the Corporation or the Board of Directors to include in any proxy statement or other stockholder communication distributed on behalf of the Corporation or the Board of Directors information with respect to any nominee for director submitted by a stockholder.

Section II.6 and Section II.7 shall be the exclusive means for a stockholder to make nominations of persons for election as a director of the Corporation or provide notice of the stockholder's intent to bring other business before a meeting of stockholders (other than proposals brought under Rule 14a-8 under the Exchange Act).

Section II.8. Voting. On each matter submitted to a vote of the stockholders, each stockholder shall have one vote for every share of stock entitled to vote and registered in his or her name on the record date for the meeting, except to the extent that the voting rights of the shares of any class are limited or denied by the Articles of Incorporation or the LBCA.

A stockholder may vote in person or by proxy executed in writing by the stockholder. All proxies shall be dated and filed in the records of the meeting. A proxy is not valid after 11 months after the date the proxy is executed unless otherwise provided by the proxy. A proxy is revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest.

Except as otherwise required by the Articles of Incorporation or by law, a majority of votes actually cast shall decide any matter properly brought before the stockholders at a meeting at which a quorum is present. For purposes of this paragraph, (i) a majority of the votes cast shall mean that the number of shares that voted "for" the proposal exceeds the number of shares voted "against" the proposal, and (ii) abstentions and broker non-votes shall not be counted as votes cast either "for" or "against" the proposal.

Section II.9. Quorum. The holders of a majority of the shares entitled to vote, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of stockholders. If a quorum is not present or represented at any meeting of the stockholders, the presiding officer of the meeting or the holders of a majority of the shares entitled to vote who are present in person or represented by proxy shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. Once a quorum is attained, the stockholders present or represented at a duly organized meeting may continue to transact business notwithstanding the withdrawal of enough stockholders to leave less than a quorum. A stockholder that is physically present at a meeting of stockholders shall be deemed to be present for purposes of determining whether a quorum exists, except where such person is physically present at the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section II.10. Fixing of Record Date. Except as otherwise provided in these Bylaws, for the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment or postponement thereof, or entitled to receive payment of any dividend or other distribution, or in order to make a determination of stockholders for any other proper purpose, the Board of Directors may fix in advance a date as the record date for any such determination of stockholders, such date to be not more than 70 days and in case of a meeting of stockholders, not less than 10 days, prior to the date on which the particular action, requiring such determination of stockholders, is to be taken. Except as the Board of Directors may otherwise provide, if no record date is fixed for the purpose of determining stockholders (i) entitled to notice of and to vote at a meeting, the close of business on the day before the notice of the meeting is mailed, or if notice is waived, the close of business on the day before the meeting, shall be the record date for such purpose, or (ii) for any other purpose, the close of business on the day which the Board of Directors adopts the resolution relating thereto shall be the record date for such purposes. A determination of stockholders entitled to notice of or to vote at a meeting of the stockholders shall apply to any adjournment of the meeting, unless the Board of Directors elects to fix a new record date or the meeting is adjourned for more than 120 days.

Section II.11. Organization of Meetings. At every meeting of stockholders, the presiding officer shall be the Chairman of the Board or, in the event of his or her absence or disability, any officer or director chosen by the Board of Directors. If the Board of Directors has not otherwise designated a presiding officer for the meeting and the Chairman of the Board is unavailable, then the Chief Executive Officer, the President, any Vice President or the Secretary (in such order) shall serve as the presiding officer of the meeting. The Secretary, or in the event of his or her absence or disability, any Assistant Secretary designated by the presiding officer, if any, or if there be no Assistant Secretary, in the absence of the Secretary, an appointee of the presiding officer, shall act as Secretary of the meeting.

Section II.12. Voting List. After fixing a record date for a meeting, the Corporation shall prepare an alphabetical list of the names of all of its stockholders who are entitled to notice of the meeting, arranged by voting group, and within each voting group by class or series of shares, and show the address of and number of shares held by each stockholder. In the manner and to the extent required by law, the list shall be available for inspection beginning two business days after notice is given for which the list was prepared through the completion of the meeting, including any adjournment. This list shall be prima facie evidence of the ownership of shares in the Corporation and of the right of the stockholders listed therein to vote.

Section II.13. Conduct of Meetings. The date and time of the opening and the closing of the polls for the stockholders to vote at a meeting shall be announced at the meeting by the presiding officer of the meeting. The Board of Directors may adopt such rules, regulations and procedures for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules, regulations and procedures as adopted by the Board of Directors, the presiding officer of any meeting of stockholders shall have the right and authority to convene and to recess or adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such presiding officer, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding officer of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the presiding officer of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; (v) limitations on the time allotted to questions or comments by participants; (vi) the appointment of election inspectors to assist with the tabulation of the vote; and (vii) the exclusion of any stockholder or its proxy from any meeting of the stockholders based upon any determination, in the presiding officer's sole discretion, that such person has unduly disrupted or is likely to disrupt the proceedings. The presiding officer of any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a matter or business was not properly brought before the meeting, and if such presiding officer should so determine, such presiding officer shall so declare to the meeting and any such matter or business shall not be transacted or considered. Unless and to the extent determined by the Board of Directors or the presiding officer of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE III.
BOARD OF DIRECTORS

Section III.1. General. The Board of Directors shall have the power to manage and administer the business and affairs of the Corporation. Unless otherwise provided or limited by law, all corporate powers of the Corporation shall be vested in and exercised by the Board of Directors. The provisions governing the number of directors, classification of directors, election of directors, and removal of directors are set forth in the Articles of Incorporation.

Section III.2. Other Qualifications. No person nominated by a stockholder of the Corporation shall be eligible for election to the Board unless such person has executed an agreement, in a form deemed satisfactory to the Board, that such person has read and agrees, if elected, to serve as a member of the Board, to comply with the Corporation's Code of Ethics and any other corporate governance policies and guidelines applicable to directors of the Corporation.

Section III.3. Term of Office. Each director shall hold office from his election or appointment until his successor is elected and qualified or until his earlier death, resignation or removal, except that in the case of an uncontested election of directors, a nominee who receives more votes against than for election shall continue to serve as a director for a term that ends on the earlier of 90 days from the date on which the voting results are determined or the date on which an individual is selected by the Board of Directors to fill the office held by such director, which selection shall be deemed to constitute the filling of a vacancy by the Board. The Board of Directors may select any other qualified individual to fill the office held by a director who receive more votes against than for election.

Section III.4. First Meeting. The first meeting of each newly elected Board of Directors shall be held at the regularly scheduled Board meeting following the election of directors, and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided a quorum shall be present.

Section III.5. Place of Meeting. All meetings of the Board of Directors may be held at such place or places, either within or without the State of Louisiana, as from time to time shall be determined by the Board of Directors or Chairman of the Board.

Section III.6. Regular Meetings. The regular meetings of the Board of Directors shall be held with or without notice, on the fourth Wednesday following each quarter-end, or with notice on any date called by the Chairman or Chief Executive Officer. When any regular meeting of the Board of Directors falls upon a legal holiday, the meeting shall be held on an alternative date previously determined by the Chairman of the Board.

Section III.7. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board, the Chief Executive Officer, or any three or more directors. Each member of the Board of Directors shall be given notice in writing or by telephone, electronic transmission, facsimile, letter, or in person stating the date, time, and place of each such special meeting at least 24 hours prior to the time of such special meeting. Such notice need not state the purpose of such meeting.

Section III.8. Action by Directors Without a Meeting. Any action required to be taken at a meeting of the directors of the Corporation, or any action which may be taken at a meeting of the directors, maybe taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors.

Section III.9. Alternative Forms of Meetings. The Board of Directors may hold meetings by using a conference telephone or similar communications equipment, or another suitable electronic communications system, if the telephone or other equipment or system permits each person participating in the meeting to communicate with all other persons participating in the meeting. If voting is to take place at the meeting, each director voting at the meeting by means of remote communications must be sufficiently identified and a record shall be kept of any vote or other action taken.

Section III.10. Quorum. At all meetings of the Board of Directors, a majority of the directors at the time in office shall be necessary and sufficient to constitute a quorum for the transaction of business; and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute, the Articles of Incorporation or these Bylaws. In the absence of a quorum, a majority of the directors present at any meeting may adjourn the meeting to another place and/or time, without notice other than announcement at the meeting, until a quorum shall be present. If a quorum is present when the meeting is convened, the directors present may continue to conduct business, taking action by vote of a majority of a quorum as fixed above, until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum as fixed above. A director that is physically present at a meeting of directors shall be deemed to be present for purposes of determining whether a quorum exists, except where such person is physically present at the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section III.11. Resignation. A director of the Corporation may resign at any time by giving written notice to the Board of Directors, the Chairman of the Board, the Chief Executive Officer or the Secretary of the Corporation.

Such resignation shall take effect on the date of such notice or at any later date specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section III.12. Vacancies. Any vacancy occurring on the Board of Directors may be filled by the stockholders, the Board of Directors, or if the directors remaining in office constitute fewer than a quorum, the affirmative vote of a majority of the directors remaining in office.

Section III.13. Committees. The Board of Directors may from time to time appoint from its own members one or more committees of the Board, and shall designate such committees as shall be required by applicable law of the listing requirements of any national securities exchange on which the securities of the Corporation are listed for trading ("Listing Rules"), each of which shall, except as otherwise prescribed by law or the Listing Rules, have such lawfully delegable powers of the Board of Directors in the management of the business and affairs of the Corporation as the Board may specify in the resolutions designating such committee or in the charter of such committee adopted by the Board. The composition of the committees of the Board shall be determined by the Board and shall be consistent with applicable law and the Listing Rules. One or more directors may be named as alternate member(s) to replace any absent or disqualified members.

The number of members on each committee may be increased or decreased from time to time by resolution of the Board of Directors. Any member of any committee may be removed from such committee at any time by resolution of the Board of Directors. Any vacancy occurring on a committee shall be filled by the Board of Directors, but the Chairman of the Board may designate another director to serve on the committee pending action of the Board. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon it or such directors by law.

Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided herein or required by law. Adequate provision shall be made for notice to members of all meetings; a majority of the members shall constitute a quorum; and, at any committee meeting at which a quorum is present, all matters shall be determined by a majority vote of the members present. Committees of the Board of Directors shall keep written minutes of its proceedings, a copy of which is to be filed with the Secretary, and shall report on such proceedings to the Board. Except as otherwise provided by the Board of Directors or the relevant committee, provisions of these Bylaws governing place, time and notice of meetings, quorum, voting and other procedural requirements shall apply to committees and their members as well.

Section III.14. Compensation. The Board of Directors or a committee of the Board of Directors may fix the compensation of directors, including for serving on committees.

Section III.15. Advisory or Honorary Directors. The Board of Directors may from time to time create one or more positions of advisory director, honorary director or director emeritus (each an "Advisory Director"), and may fill such position or positions for such terms as the Board of Directors deems proper. Each Advisory Director shall, upon the invitation of the Board of Directors, have the privilege of attending meetings of the Board of Directors, but shall do so solely as an observer. Notice of meetings of the Board of Directors to an Advisory Director shall not be required under any applicable law, the Articles of Incorporation or these Bylaws. Each Advisory Director shall be entitled to receive such compensation as may be fixed from time to time by the Board of Directors for such position. No Advisory Director shall be entitled to vote on any business coming before the Board of Directors, nor shall he or she be counted as a member of the Board of Directors for the purpose of determining the number of directors necessary to constitute a quorum, for the purpose of determining whether a quorum is present, or for any purpose whatsoever. Upon the occurrence of any vacancy in an Advisory Director position, that position shall be deemed terminated until such time as the Board of Directors shall again deem it proper to create and to fill the position. An Advisory Director may be removed at any time by the Board of Directors.

Section III.16. Rules and Regulations. The Board of Directors may adopt such rules and regulations not inconsistent with the Articles of Incorporation or these Bylaws or any other provision of law for the conduct of its meetings and management of the affairs of the Corporation as the Board may deem proper.

ARTICLE IV.
OFFICERS

Section IV.1. Generally. The officers of the Corporation shall consist of a Chairman of the Board, a Chief Executive Officer, and a Secretary. The Board of Directors may appoint such other officers as it may from time to time determine or may delegate such power of appointment to any other executive officer of the Corporation. Any one or more offices may be held by the same person, except the offices of Chief Executive Officer and Secretary. Officers do not have to be stockholders.

Section IV.2. Duties of Officers. The duties and powers of the officers of the Corporation shall be as provided in or in accordance with these Bylaws, as set forth in written job descriptions approved by the Board of Directors, or (except to the extent inconsistent with these Bylaws or with any provision made in accordance with these Bylaws) those customarily exercised by corporate officers holding such offices.

Section IV.3. Chairman of the Board. The Board of Directors shall appoint one of its members to be Chairman. The Chairman shall serve at the pleasure of the Board, preside at all meetings of the Board of Directors and stockholders, and exercise such other powers and duties as may be conferred upon or assigned by the Board of Directors.

Section IV.4. Vice Chairman of the Board. The Board of Directors may appoint one or more Vice Chairmen of the Board who, in the absence of the Chairman of the Board, shall (in the order determined by the Board of Directors, if more than one), if present, preside at meetings of the Board of Directors. When so acting, each Vice Chairman shall have the powers, and be subject to all the restrictions on, the Chairman of the Board. Each Vice Chairman shall, when requested, counsel with and advise the Chief Executive Officer, the Chairman of the Board, and other officers of the Corporation and shall perform such other duties as may be agreed upon with them or as the Board may from time to time determine.

Section IV.5. Chief Executive Officer. The Chief Executive Officer shall have general powers of oversight, supervision and management of the business and affairs of the Corporation and its subsidiaries, subject to the control of the Board of Directors. In the absence of the Chairman or any Vice Chairman, the Chief Executive Officer shall preside at meetings of the Board of Directors. Except as otherwise required by law or where the execution or performance is exclusively delegated to some other officer or agent of the Corporation by the Board of Directors, the Chief Executive Officer shall have the power to execute any document or perform any act on behalf of the Corporation, including without limitation the power to sign checks, orders, contracts, leases, notes, drafts and other documents and instruments in connection with the business of the Corporation, and together with the Secretary or an Assistant Secretary execute conveyances of real estate and other documents and instruments to which the seal of the Corporation may be affixed. The Chief Executive Officer may delegate any of his authority (whether general or specific) to any other officer of the Corporation, except as prohibited by law or where the execution and delivery thereof has been exclusively delegated by the Board of Directors. The Chief Executive Officer shall perform such other duties as the Board of Directors may from time to time determine.

Section IV.6. Secretary. The Secretary shall keep accurate minutes of all meetings of the stockholders and the Board of Directors and committees thereof (unless another person is appointed to act as secretary of any such committees). The Secretary shall also give or cause to be given all authorized notices required to be given by these Bylaws. The Secretary shall be custodian of the corporate seal, records, documents and papers of the Corporation and shall provide for the keeping of proper records of all transactions of the Corporation. The Secretary shall have such other powers and duties as the Board of Directors or the Chief Executive Officer may from time to time prescribe. The Assistant Secretary(ies), if any, in the order determined by the Board of Directors or the Chief Executive Officer shall, in the absence of the Secretary, be authorized to perform the powers and duties of the Secretary and such other power and duties as the Board of Directors or the Chief Executive Officer may from time to time prescribe.

Section IV.7. Chief Financial Officer. The Chief Financial Officer shall have general supervision over the financial operations of the Corporation and its subsidiaries, subject to the direction of the Board of Directors and the Chief Executive Officer. The Chief Financial Officer shall make such disbursements of the funds of the Corporation

as are authorized and shall render from time to time an account of all such transactions and of the financial condition of the Corporation.

Section IV.8. Delegation of Authority. The Board of Directors and the Chief Executive Officer may from time to time delegate the powers or duties of any officer to any other officers and agents, notwithstanding any other provision hereof, except as prohibited by law or where such power or duties shall have been exclusively delegated by the Board of Directors.

Section IV.9. Resignation. Subject at all times to the right of removal as provided below, any officer may resign at any time by giving notice to the Board of Directors, the Chief Executive Officer or the Secretary. Any such resignation shall take effect on the date of receipt of such notice or at any later date specified therein. The acceptance of such resignation shall not be necessary to make it effective.

Section IV.10. Removal. Any officer of the Corporation may be removed at any time, with or without cause, by the Board of Directors, or, except in the case of the Chairman, Vice Chairman or Chief Executive Officer, by any committee of the Board or superior officer upon whom such power may be conferred by the Board of Directors.

Section IV.11. Vacancies. Any vacancy occurring in any office may be filled by the Board of Directors or in any other manner provided by the Board of Directors

Section IV.12. Salaries. The salaries of the officers of the Corporation shall be fixed from time to time by, or in a manner determined by, the Board of Directors or a designated committee thereof. The Chief Executive Officer may fix the salaries of the employees who are not officers.

Section IV.13. Action with Respect to Securities of Other Corporations. Unless otherwise directed by the Board of Directors, the Chief Executive Officer or any person authorized by the Chief Executive Officer shall have the power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of stockholders of or with respect to any action of the stockholders of any other Corporation in which the Corporation may hold securities and otherwise to exercise any and all rights and powers that the Corporation may possess by reason of its ownership of securities in such other Corporation.

ARTICLE V.
STOCK CERTIFICATES AND THEIR TRANSFER

Section V.1. Certificates of Stock. Shares of capital stock of the Corporation may be issued in certificated or book entry form. Certificates representing shares of stock of each class or series of stock of the Corporation, whenever authorized by the Board of Directors or required by law, shall be in such form as shall be approved by the Board. Such certificates shall be executed on behalf of the Corporation by the President and the Secretary, or any two officers otherwise designated by the Board of Directors, and may be sealed with the corporate seal of the Corporation or a facsimile thereof. The signature of any officer may be a facsimile. Certificates bearing the signatures of individuals who were, at the time when such signatures were affixed, authorized to sign on behalf of the Corporation, shall be validly executed notwithstanding that such individuals or any of them have ceased to be so authorized prior to the delivery of such certificates or did not hold such offices at the date of delivery of such certificates.

No certificate shall be issued until the consideration for such certificate has been fully paid. Each physical certificate representing shares of the Corporation shall state upon the face thereof, at a minimum, the name of the Corporation, the fact that the Corporation is organized under the laws of the State of Louisiana, the name of the person to whom the shares are issued, and the number and class of shares and the designation of the series, if any, that such certificate represents.

Section V.2. Designation of Classes of Stock. If the Corporation is authorized to issue shares of more than one class, each certificate representing shares issued by the Corporation shall conspicuously set forth on the certificate, or shall state that the Corporation shall furnish to any stockholder upon request and without charge, a summary of the designations, preferences, limitations, and relative rights of the shares of each class and of each series

of each preferred or special class, so far as the same have been fixed, and the authority of the Board to establish other series and to fix the relative rights, preferences and limitations of the shares of any class or series by amendment of the articles.

Section V.3. Registrar and Transfer Agent. The Corporation shall keep, or cause to be kept, at its registered office or at such other location designated by the Board of Directors, a register or registers in which, subject to such reasonable regulations as the Board of Directors may prescribe, the registrar and transfer agent shall register the stock of the Corporation and the transfers thereof. Except as otherwise provided by resolution of the Board of Directors, the registrar and transfer agent shall be the Secretary.

Section V.4. Registration of Transfer and Exchange. Stock of the Corporation shall be transferable in the manner prescribed by applicable law and in these Bylaws. Transfers of stock shall be made only on the books of the Corporation, and in the case of certificated shares of stock, only by the person named in the certificate or by such person's attorney lawfully constituted in writing and upon the surrender of the certificate for the purpose of such transfer, properly endorsed for transfer and payment of all necessary transfer taxes; or, in the case of uncertificated shares of stock, upon receipt of proper transfer instructions from the registered holder of the shares and upon payment of all necessary transfer taxes and compliance with appropriate procedures for transferring shares in uncertificated form; provided, however, that such surrender and endorsement, compliance or payment of taxes shall not be required in any case in which the officers of the Corporation shall determine to waive such requirement. With respect to certificated shares of stock, every certificate exchanged, returned or surrendered to the Corporation shall be marked "Cancelled," with the date of cancellation, by the Secretary or Assistant Secretary or the transfer agent thereof. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing from and to who transferred.

Section V.5. Lost, Stolen, Mutilated or Destroyed Certificates. The Corporation may issue a new certificate of stock in place of any previously issued certificate alleged to have been lost, stolen, destroyed or mutilated upon the surrender of the mutilated certificate or, in the case of a lost, stolen or destroyed certificate, upon such terms and conditions as the Board of Directors or Chief Executive Officer may prescribe, including the presentation of reasonable evidence of such loss, theft or destruction and the giving of such indemnity and posting of such bond as the Board of Directors or Chief Executive Officer may require for the protection of the Corporation or any transfer agent or registrar.

Section V.6. Regulations. The Board of Directors may make such additional rules and regulations as it may deem expedient concerning the issue and transfer of certificates representing shares of stock of each class of the Corporation and may make such rules and take such action as it may deem expedient concerning the issue of certificates in lieu of certificates claimed to have been lost, stolen, destroyed or mutilated.

Section V.7. Reliance Upon Corporate Stock Records. The Corporation shall be entitled to treat the person registered on its records as the owner of shares, as the exclusive owner in fact thereof for all purposes, and as the person entitled to have and to exercise all rights and privileges incident to the ownership of such shares. The Corporation shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, except as other required by the laws of the State of Louisiana, and the rights of the Corporation under this section shall not be affected by any actual or constructive notice which the Corporation, or any or its directors, officers or agents, may have to the contrary.

ARTICLE VI.
FISCAL YEAR

Unless otherwise determined by the Board of Directors, the fiscal year of the Corporation shall begin on January 1 and end on December 31 of each and every calendar year.

ARTICLE VII.
CONTRACTS

All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, subordinations, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents may be signed, executed, acknowledged, verified, delivered or accepted on behalf of the Corporation by the Chairperson of the Board, the Chief Executive Officer or any other officer as the Board of Directors may from time to time direct.

ARTICLE VIII.
NOTICES

Section VIII.1. Notices. Except as otherwise specifically provided herein or required by law, whenever any notice is required to be given to any stockholder, director or committee member under the provisions of any statute, the Articles of Incorporation or these Bylaws, such notice shall be in writing and delivered personally, or by mail or overnight delivery or as otherwise permitted by the LBCA.

Section VIII.2. Waivers. Whenever notice is required by statute, the Articles of Incorporation or these Bylaws to be given, a written waiver signed by or on behalf of the person entitled to notice or a waiver by electronic transmission by the person entitled to notice, given before or after the time of the event for which notice is to be given, shall be equivalent to giving the notice. A waiver transmitted by email will be deemed given if transmitted from an email address provided by such person for the purpose of receiving notices or other communications from the Corporation. Neither the business nor the purpose of the meeting need be specified in a waiver. Attendance of a stockholder, director or committee member at a meeting will constitute a waiver of notice of that meeting, except when the stockholder, director or committee member attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting has not been lawfully called or convened or, in the case of a stockholder, the lack of proper notice to the stockholders.

ARTICLE IX.
MISCELLANEOUS

Section IX.1. Minutes. The Articles of Incorporation, the Bylaws and the proceedings of all meetings of the stockholders, the Board of Directors, and standing committees of the Board, shall be recorded in appropriate minute form and maintained in one or more corporate minute books provided for that purpose. The minutes of each meeting shall be signed by the Secretary, or other such officer appointed to act as Secretary of said meeting.

Section IX.2. Facsimile Signatures. In addition to the provisions for use of facsimile or other electronic signatures elsewhere specifically authorized in these Bylaws, facsimile and other electronic signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

Section IX.3. Corporate Seal. The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board of Directors or a committee thereof, duplicates of the seal may be kept and used by the Chief Financial Officer, or an Assistant Secretary. Unless otherwise provided by law, it shall not be mandatory that the corporate seal or its facsimile be impressed or affixed on any document executed on behalf of the Corporation.

Section IX.4. Reliance Upon Books, Reports and Records. A director or a member of any committee designated by the Board of Directors shall, in the performance of such person's duties, be protected to the fullest extent permitted by law in relying on the books of account or other records of the Corporation and upon information, opinion, reports or statements presented to the Corporation.

Section IX.5. Time Periods. In computing any period of time under these Bylaws, calendar days shall be used, the day that marks the commencement of the period shall not be counted, and the period shall end upon the expiration of the last day of the period; provided, however, that if the day on which the period is to expire is a legal

holiday under the laws of the State of Louisiana, then the period shall end upon the expiration of the next day that is not a legal holiday.

Section IX.6. Application of Bylaws. In the event that any provision of these Bylaws conflicts with any law of the United States or the State of Louisiana or of any other governmental body or power having jurisdiction over the Corporation, that provision of these Bylaws shall be inoperative to the extent only that the operation thereof unavoidably conflicts with such law, and shall in all other respects be in full force and effect.

ARTICLE X.
AMENDMENT OF BYLAWS

Except as otherwise limited by law, these Bylaws may be altered, amended or repealed or new Bylaws may be adopted by the Board of Directors or the stockholders.

Exhibit 4.1

NUMBER

SHARES

Origin Bancorp, Inc.

INCORPORATED UNDER THE LAWS OF THE STATE OF LOUISIANA

COMMON STOCK
Par Value $5.00 Per Share

SEE REVERSE SIDE
FOR CERTAIN DEFINITIONS

CUSIP 68621T 10 2

THIS CERTIFIES THAT

is the owner of

FULLY PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK OF

ORIGIN BANCORP, INC.

transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this certificate proper- ly endorsed. This certificate is not valid until countersigned and registered by the Transfer Agent and Registrar.

IN WITNESS WHEREOF, the said Corporation has caused this certificate to be signed by facsimile signatures of its duly authorized officers.

Dated:

COUNTERSIGNED AND REGISTERED:
EQUINITI TRUST COMPANY

BY

AUTHORIZED SIGNATURE

TRANSFER AGENT
AND REGISTRAR

Jeannine B. Coker

SECRETARY

CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

AMERICAN FINANCIAL PRINTING INCORPORATED – MINNEAPOLIS

THE CORPORATION IS AUTHORIZED TO ISSUE SHARES OF MORE THAN ONE CLASS OR SERIES OF CAPITAL STOCK. THE ARTICLES OF INCORPORATION OF THE CORPORATION, AS AMENDED, ON FILE WITH THE SECRETARY OF STATE OF THE STATE OF LOUISIANA PROVIDE THE BOARD OF DIRECTORS OF THE CORPORATION WITH THE AUTHORITY TO FIX THE NUMBER OF SHARES AND THE DESIGNATION OF ANY SERIES OF PREFERRED STOCK AND TO DETERMINE THE POWERS, DESIGNATIONS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL OR OTHER SPECIAL RIGHTS BETWEEN CLASSES OF STOCK OR SERIES THEREOF OF THE CORPORATION, AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND/OR RIGHTS. THE CORPORATION WILL FURNISH TO THE RECORD HOLDER OF THIS CERTIFICATE, WITHOUT CHARGE ON WRITTEN REQUEST TO THE CORPORATION AT ITS PRINCIPAL PLACE OF BUSINESS, A COPY OF THE ARTICLES OF INCORPORATION OF THE CORPORATION, AS AMENDED, AND SUCH STATEMENTS, RESOLUTIONS OR CERTIFICATES OF DESIGNATION CONTAINING A COMPLETE LIST OF THE POWERS, DESIGNATIONS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK OR SERIES THEREOF WHICH THE CORPORATION IS AUTHORIZED TO ISSUE AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND/OR RIGHTS.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM – as tenants in common

TEN ENT – as tenants by entireties

JT TEN – as joint tenants with right of survivorship and not as tenants in common

UTMA – _____ Custodian _____
(Cust) (Minor)
under Uniform Transfers to Minors Act _____
(State)

Additional abbreviations may also be used though not in above list.

For value received ___ hereby sell, assign, and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING ZIP CODE OF ASSIGNEE)

_____

_____

_____ *Shares of the capital stock represented by the within Certificate, and do hereby irrevocably constitute and appoint* _____

_____ *Attorney to transfer the said stock on the books of the within-named Corporation with full power of substitution in the premises.*

Dated _____

X _____

X _____

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

SIGNATURE GUARANTEED

ALL GUARANTEES MUST BE MADE BY A FINANCIAL INSTITUTION (SUCH AS A BANK OR BROKER) WHICH IS A PARTICIPANT IN THE SECURITIES TRANSFER AGENTS MEDALLION PROGRAM ("STAMP"), THE NEW YORK STOCK EXCHANGE, INC. MEDALLION SIGNATURE PROGRAM ("MSP"), OR THE STOCK EXCHANGES MEDALLION PROGRAM ("SEMP") AND MUST NOT BE DATED. GUARANTEES BY A NOTARY PUBLIC ARE NOT ACCEPTABLE.

Exhibit 5.1

FENIMORE KAY HARRISON FORD
ATTORNEYS AND COUNSELORS AT LAW

812 SAN ANTONIO STREET
SUITE 600
AUSTIN, TEXAS 78701

TEL 512 • 583 • 5900
FAX 512 • 583 • 5940

[ ], 2018

Origin Bancorp, Inc.
500 South Service Road East
Ruston, Louisiana 71270

Re: Origin Bancorp, Inc.
Registration Statement on Form S-1

Ladies and Gentlemen:

We have acted as special counsel to Origin Bancorp, Inc., a Louisiana corporation ("Company"), in connection with the preparation and filing of the Company's Registration Statement on Form S-1 (Registration No. 333-), as initially filed with the Securities and Exchange Commission ("Commission") under the Securities Act of 1933, as amended ("Securities Act"), on April 11, 2018 (and, as thereafter amended, the "Registration Statement"), relating to the registration of the offering for sale of an aggregate amount of shares ("Shares") of the Company's common stock, par value $5.00 per share ("Common Stock"), which includes shares subject to the underwriters' over-allotment option. This opinion is being furnished in accordance with the requirements of Item 601(b)(5) of Regulation S-K of the General Rules and Regulations under the Securities Act.

In connection with rendering the opinion set forth below, we have examined and relied upon originals or copies, certified or otherwise identified to our satisfaction, of (a) the Registration Statement, (b) the Articles of Incorporation of the Company, as amended to date and currently in effect, (c) the Bylaws of the Company, as amended to date and currently in effect, (d) the Underwriting Agreement in substantially the form filed as Exhibit 1.1 to the Registration Statement, pursuant to which the Shares are to be sold, and (e) certain resolutions of the Board of Directors of the Company relating to the transactions described in the Registration Statement. We have also examined originals or copies, certified or otherwise identified to our satisfaction, of such records of the Company and such agreements, certificates and receipts of public officials, certificates of officers or other representatives of the Company and others, and such other documents, certificates and records as we have deemed necessary or appropriate as a basis for the opinion set forth below.

In our examination, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as facsimile, electronic, certified or photostatic copies, the authenticity of the originals of such copies, and the accuracy and completeness of the corporate records made available to us by the Company. As to any facts material to the opinions expressed herein that we did not independently establish or verify, we have relied upon statements and representations of officers and other representatives of the Company and others and of public officials. In addition, we have assumed that the Registration Statement and any amendments thereto, have become effective under the Securities Act.

Based upon and subject to the foregoing, we are of the opinion that the Shares when issued, sold, delivered and paid for as contemplated by the Registration Statement, will be validly issued, fully paid and nonassessable.

This opinion is based on the laws of the State of Louisiana, and we express no opinion on the laws of any other jurisdiction. No opinion may be inferred or implied beyond the matters expressly stated herein. This opinion speaks only as of its date.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to our firm under the caption “Legal Matters” in the Registration Statement. In giving this consent, we do not thereby admit that we are included in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission.

Very truly yours,

COMMUNITY TRUST FINANCIAL CORPORATION
2012 STOCK INCENTIVE PLAN

COMMUNITY TRUST FINANCIAL CORPORATION
2012 STOCK INCENTIVE PLAN

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COMMUNITY TRUST FINANCIAL CORPORATION
2012 STOCK INCENTIVE PLAN

COMMUNITY TRUST FINANCIAL CORPORATION (the "Company") hereby establishes the COMMUNITY TRUST FINANCIAL CORPORATION 2012 STOCK INCENTIVE PLAN (the "Plan") for the benefit of eligible employees, officers and directors.

ARTICLE I
PURPOSE AND EFFECTIVE DATE

1.1 Purpose. The purpose of the Plan is to (a) provide incentives to certain officers, employees, and directors of the Company and its Affiliates to stimulate their efforts toward the continued success of the Company and to operate and manage the business in a manner that will provide for the long-term growth and profitability of the Company; (b) encourage stock ownership by certain officers, employees, and directors, by providing them with a means to acquire a proprietary interest in the Company, acquire shares of Stock, or to receive compensation which is based upon appreciation in the value of Stock; and (c) provide a means of obtaining, rewarding and retaining officers, employees, and directors.

1.2 Effective Date. The Plan shall become effective as of January 1, 2012 (the "Effective Date"), subject to the approval of the Company's stockholders.

ARTICLE II
DEFINITIONS

2.1 "Affiliate" means any entity, including a subsidiary, that directly or through one or more intermediaries controls, is controlled by, or is under common control with the Company, and with which the Company would be deemed a single employer under the provisions of Code Section 414(b) or 414(c).

2.2 "Board" means the board of directors of the Company.

2.3 "Change in Control" means a change in ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company as defined for purposes of Code Section 409A in the rulings, regulations and other guidance issued thereunder as currently in effect and as may hereafter from time to time be amended.

2.4 "Code" means the Internal Revenue Code of 1986, as amended from time to time.

2.5 "Committee" means the committee appointed by the Board to administer the Plan, as more fully described in Article V.

2.6 "Company" means Community Trust Financial Corporation, a Louisiana corporation.

2.7 "Disability" has the same meaning as provided in the long-term disability plan or policy maintained or, if applicable, most recently maintained, by the Company or, if applicable, any Affiliate of the Company for the Participant. If no long-term disability plan or policy was ever maintained on behalf of the Participant or, if the determination of Disability relates to an Incentive Stock Option, Disability means that condition described in Code Section 22(e)(3), as amended from time to time. Notwithstanding the preceding, however, with respect to any Stock Incentive under the Plan that provides for a deferral of compensation subject to the provisions of Code Section 409A, Disability means the Participant is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or to last for a continuous period of not less than twelve (12) months, either (i) unable to engage in any substantial gainful activity or (ii) receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of the Company. In the event of a dispute, the determination of Disability will be made by the Committee and will be supported by advice of a physician competent in the area to which such Disability relates.

2.8 "Dividend Equivalent Rights" means certain rights to receive cash payments as described in Section 6.5.

2.9 "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

2.10 "Fair Market Value" refers to the determination of the value of a share of Stock as of a date, determined as follows:

(a) if the shares of Stock are actively traded on any national securities exchange or any nationally recognized quotation or market system (including, without limitation Nasdaq), Fair Market Value shall mean the closing price of the Stock on such date or, if such exchange was not open for trading on such date, on the trading day immediately preceding such date, as reported by any such exchange or system selected by the Committee on which the shares of Stock are then traded;

(b) if the shares of Stock are not actively traded on any such exchange or system, Fair Market Value shall mean the average of the closing high bid and low asked prices of the Stock on the over-the-counter market on such day, or in the absence of closing bids on such day, the closing bids on the next preceding day on which there were bids; or

(c) if the shares of Stock are not actively traded or reported on any exchange or system or over-the-counter markets, Fair Market Value shall mean the fair market value of a share of Stock as determined by the Committee taking into account such facts and circumstances deemed to be material by the Committee to the value of the Stock in the hands of the Participant, including but not limited to opinions of independent experts, the price at which recent sales have been made, the book value of the Stock and the Company's current and future earnings.

Notwithstanding the foregoing, for purposes of granting Non-Qualified Stock Options or Stock Appreciation Rights or any other award which provides for the deferral of compensation subject to Code Section 409A, Fair Market Value of the Stock shall be determined in accordance with the requirements of Code Section 409A and the rulings, treasury regulations and other guidance issued thereunder as currently in effect or as may subsequently be amended from time to time; and for purposes of granting Incentive Stock Options, Fair Market Value of the Stock shall be determined in accordance with the requirements of Code Section 422.

2.11 "Incentive Stock Option" means an incentive stock option under Code Section 422 and any regulations promulgated thereunder.

2.12 "Option" means a Non-Qualified Stock Option or an Incentive Stock Option granted pursuant to Section 6.2 hereof.

2.13 "Over 10% Owner" means an individual who, at the time an Incentive Stock Option is granted to such individual, owns Stock possessing more than 10% of the total combined voting power of the Company or one of its Subsidiaries, determined by applying the attribution rules of Code Section 424(d).

2.14 "Non-Qualified Stock Option" means an option to purchase Stock which is granted under the Plan and that is not an Incentive Stock Option.

2.15 "Participant" means an individual who receives an award of a Stock Incentive hereunder.

2.16 "Performance Unit Award" refers to a performance unit award as described in Section 6.6.

2.17 "Plan" means the Community Trust Financial Corporation 2012 Stock Incentive Plan as established under the provisions hereof.

2.18 "Reload Option" means an Option awarded pursuant to Section 6.2(j) hereof.

2.19 "Restricted Stock Award" means an award of Stock subject to restrictions determined by the Committee as described in Section 6.4.

2.20 "Restricted Stock Units" refers to an award under the Plan as described in Section 6.7.

2.21 "Stock" means the Company's Five Dollar ($5.00) par value common stock.

2.22 "Stock Appreciation Right" means a stock appreciation right as described in Section 6.3.

2.23 "Stock Incentive Agreement" means an agreement between the Company and a Participant or other documentation evidencing an award of a Stock Incentive under the Plan.

2.24 "Stock Incentives" means, collectively, Dividend Equivalent Rights, Incentive Stock Options, Non-Qualified Stock Options, Performance Unit Awards, Restricted Stock Awards, Restricted Stock Units and Stock Appreciation Rights.

2.25 "Termination of Employment" means the termination of the employment or other service relationship between a Participant and the Company and its Affiliates, regardless of whether severance or similar payments are made to the Participant, for any reason, including, but not by way of limitation, a termination by resignation, discharge, death, Disability or retirement. The Committee will, in its absolute discretion, determine the effect of all matters and questions relating to a Termination of Employment as it affects a Stock Incentive, including, but not by way of limitation, the question of whether a leave of absence constitutes a Termination of Employment; provided, however, with respect to any Stock Incentive that provides for a deferral of compensation subject to the provisions of Code Section 409A, a leave of absence shall only constitute a Termination of Service to the extent and at such time as such leave of absence would be deemed to constitute a separation from service for purposes of Code Section 409A in the rulings, treasury regulation and other guidance issued thereunder as currently in effect or as may subsequently be amended from time to time.

ARTICLE III
ELIGIBILITY AND PARTICIPATION

3.1 Eligibility. Any employee, officer, or director of the Company or an Affiliate who is selected by the Committee is eligible to receive a Stock Incentive under this Plan; provided, however an Incentive Stock Option may only be granted to an employee of the Company or an Affiliate.

3.2 Participation. As a condition precedent to participation in the Plan, the employee, officer, or director selected by the Committee shall enter into a Stock Incentive Agreement with the Company agreeing to the terms and conditions of the Plan and the Stock Incentive awarded.

ARTICLE IV
STOCK SUBJECT TO PLAN

4.1 Types of Shares. The Stock subject to the provisions of this Plan shall either be shares of authorized but unissued Stock, shares of Stock held as treasury stock or previously issued shares of Stock reacquired by the Company, including shares purchased on the open market.

4.2 Aggregate Limit. Subject to adjustment in accordance with Section 9.2, seven hundred thousand (700,000) shares of Stock (the "Maximum Plan Shares") are hereby reserved exclusively for issuance upon an award of or exercise or payment pursuant to Stock Incentives under the Plan, all or any of which may be pursuant to any one or more Stock Incentives, including without limitation, Incentive Stock Options. The shares of Stock attributable to the nonvested, unpaid, unexercised, unconverted or otherwise unsettled portion of any Stock Incentive that is forfeited or cancelled or that expires or terminates for any reason without becoming vested, paid, exercised, converted or otherwise settled in full shall not count against this aggregate limit and shall again become available for grants of Stock Incentive awards under the Plan (unless the Participant received dividends or other economic benefits with respect to such shares

of Stock, which dividends or other economic benefits are not forfeited, in which case such shares shall count against this aggregate limit).

4.3 Participant Limits. In the case of Incentive Stock Options, the aggregate Fair Market Value (determined as of the date an Incentive Stock Option is granted) of Stock with respect to which stock options intended to meet the requirements of Code Section 422 become exercisable for the first time by an individual during any calendar year under all plans of the Company and its Affiliates may not exceed $100,000; provided further, that if the limitation is exceeded, the Incentive Stock Option(s) which cause the limitation to be exceeded will be treated as Non-Qualified Stock Option(s).

ARTICLE V
ADMINISTRATION

5.1 Action of the Committee. The Plan shall be administered by a Committee. The Committee shall consist of such members as the Board shall from time to time determine which members are appointed by and subject to removal by the Board. The Committee shall select one of its members as its Chairman and shall hold its meetings at such times and places as it may determine. The Committee shall keep minutes of its meetings and shall make such rules and regulations for the conduct of its business as it may deem necessary. The Committee shall have the power to act by unanimous written consent in lieu of a meeting, and to meet telephonically. A majority of the members of the Committee shall constitute a quorum, and any action taken by a majority at a meeting at which a quorum is present, or any action taken without a meeting evidenced by a writing executed by all the members of the Committee, shall constitute the action of the Committee. In administering the Plan, the Committee's actions and determinations shall be binding on all interested parties.

5.2 Duties and Powers of the Committee. The Committee shall have the power to grant Stock Incentives in accordance with the provisions of the Plan and may grant Stock Incentives singly, in combination, or in tandem. Subject to the provisions of the Plan, the Committee shall have the sole discretion and authority to determine those individuals to whom Stock Incentives will be granted, the number of shares of Stock subject to each Stock Incentive, such other matters as are specified herein, and any other terms and conditions of a Stock Incentive, including, without limitation, any acceleration of vesting, exercise or payment and/or any other consequence under the Stock Incentive in the event of an occurrence of a Change in Control.

Except as otherwise required by the Plan, the Committee shall have authority to interpret and construe the provisions of this Plan and the Stock Incentive Agreements and make determinations pursuant to any Plan provision or Stock Incentive Agreement which shall be final and binding on all persons. To the extent not inconsistent with the provisions of the Plan or the Code and subject to the provisions of Section 6.9 hereof, the Committee may give a Participant an election to surrender a Stock Incentive in exchange for the grant of a new Stock Incentive, and shall have the authority to amend or modify an outstanding Stock Incentive Agreement, or to waive any provision thereof, provided that the Participant consents to such action.

5.3 Delegation. The Committee may designate any officers of the Company who are not members of the Committee to carry out its responsibilities under such conditions or limitations as it may set, other than (i) its authority with regard to Stock Incentives granted to an officer or director of the Company subject to the reporting requirements of Section 16 of the Exchange Act, and (ii) its discretionary authority to select Participants, award Stock Incentives and determine the terms and conditions of Stock Incentives and any amendments or modifications thereto.

5.4 No Liability. Neither any member of the Board nor any member of the Committee shall be liable to any person for any act or determination made in good faith with respect to the Plan or any Stock Incentive granted hereunder.

ARTICLE VI
TERMS OF STOCK INCENTIVES

6.1 Terms and Conditions of All Stock Incentives. The following provisions shall apply to all Stock Incentives awarded under the Plan:

(a) Shares Subject to Grant. The number of shares of Stock as to which a Stock Incentive may be granted will be determined by the Committee in its sole discretion, subject to the provisions of Section 4.2 as to the total number of shares available for grants under the Plan and subject to the participant limits in Section 4.3.

(b) Stock Incentive Agreement. Each Stock Incentive will be evidenced by a Stock Incentive Agreement in such form and containing such, terms, conditions and restrictions as the Committee may determine to be appropriate. Each Stock Incentive Agreement is subject to the terms of the Plan and any provisions contained in the Stock Incentive Agreement that are inconsistent with the Plan are null and void. The Committee may, but is not required to, structure any Stock Incentive so as to qualify as performance based compensation under Code Section 162(m).

(c) Date of Grant. The date as of which a Stock Incentive is granted will be the date on which (i) the Committee has approved the terms and conditions of the Stock Incentive and has determined the recipient of the Stock Incentive and the number of shares covered by the Stock Incentive, and has taken all such other actions necessary to complete the grant of the Stock Incentive, and (ii) the Participant and Company have entered into and executed a Stock Incentive Agreement with respect to such award.

(d) Other Grants. Any Stock Incentive may be granted in connection with all or any portion of a previously or contemporaneously granted Stock Incentive. Exercise or vesting of a Stock Incentive granted in connection with another Stock Incentive may result in a pro rata surrender or cancellation of any related Stock Incentive, as specified in the applicable Stock Incentive Agreement.

(e) Transfer and Exercise. Stock Incentives are not transferable or assignable except by will or by the laws of descent and distribution and are exercisable, during the Participant's lifetime, only by the Participant; or in the event of the Disability of the Participant, by the legal representative of the Participant; or in the event of death of the Participant, by the legal representative of the Participant's estate or if no legal representative has been appointed, by the successor in interest determined under the Participant's will; except to the extent that the Committee may provide otherwise as to any Stock Incentives other than Incentive Stock Options.

(f) Modification. Subject to the provisions of Section 6.9, after the date of grant of a Stock Incentive, the Committee may, in its sole discretion, modify the terms and conditions of a Stock Incentive, except to the extent that such modification would be inconsistent with other provisions of the Plan or the Code or would adversely affect the rights of a Participant under the Stock Incentive (except as otherwise permitted under the Plan).

6.2 Terms and Conditions of Options. At the time any Option is granted, the Committee will determine whether the Option is to be an Incentive Stock Option described in Code Section 422 or a Non-Qualified Stock Option. Each Option granted under the Plan must be clearly identified as to its status as an Incentive Stock Option or a Non-Qualified Stock Option and the Stock Incentive Agreement shall reflect such status. Options awarded under the Plan shall be subject to the following terms and conditions:

(a) Option Price. Subject to adjustment in accordance with Section 9.2 and the other provisions of this Section 6.2, the exercise price (the "Exercise Price") per share of Stock purchasable under any Option shall be determined by the Committee in its sole discretion and must be set forth in the applicable Stock Incentive Agreement. In no event, however, may the Exercise Price be less than the Fair Market Value of the Stock subject to the Option on the date the Option is granted. Notwithstanding the preceding, with respect to

each grant of an Incentive Stock Option to a Participant who is an Over 10% Owner, the Exercise Price may not be less than 110% of the Fair Market Value of the Stock subject to the Option on the date the Option is granted. Except as provided in Section 9.2, without approval of the Company's stockholders, the Exercise Price of an Option may not be amended or modified after the grant of the Option, and an Option may not be surrendered in consideration of, or in exchange for, the grant of a new Option having an Exercise Price below that of the Option that was surrendered.

(b) Option Term. Subject to the following sentence, the exercise period for each Option granted under the Plan shall be determined by the Committee in its sole discretion and specified in the Stock Incentive Agreement. Any Incentive Stock Option granted to a Participant who is not an Over 10% Owner is not exercisable after the expiration of ten (10) years after the date the Option is granted. Any Incentive Stock Option granted to an Over 10% Owner is not exercisable after the expiration of five (5) years after the date the Option is granted. The Committee may restrict the time of the exercise of any Options to specified periods as may be necessary to satisfy the requirements of Rule 16b-3 as promulgated under the Exchange Act.

(c) Exercise of Option. An Option shall be exercised by (i) delivery to the Company at its principal office of a written notice of exercise with respect to all or a specified number of shares of Stock subject to the Option and (ii) payment to the Company at that office of the full amount of the Exercise Price in accordance with the provisions of Subsection (d) below. If requested by a Participant, an Option may be exercised with the involvement of a stockbroker in accordance with the federal margin rules set forth in Regulation T (in which case the certificates representing the underlying shares of Stock will be delivered by the Company directly to the stockbroker).

(d) Payment. Payment for all shares of Stock purchased pursuant to the exercise of an Option may be made in any form or manner authorized by the Committee in the Stock Incentive Agreement or by amendment thereto, including, but not limited to, cash, certified check, bank draft, wire transfer, a postal or express money order. In addition, in the discretion of the Committee, payment of all or a portion of the Exercise Price may be made by:

(i) delivery to the Company of a number of shares of Stock which have been owned by the holder for at least six (6) months prior to the date of exercise having an aggregate Fair Market Value on the date of delivery of not less than the product of the Exercise Price multiplied by the number of shares of Stock the Participant intends to purchase upon exercise of the Option;

(ii) delivery of a properly executed notice of exercise to the Company together with irrevocable instructions (A) to a broker to deliver to the Company the sales proceeds with respect to the portion of the shares to be acquired upon exercise having a Fair Market Value on the date of exercise equal to the applicable portion of the Exercise Price being so paid and the appropriate tax withholding, or (B) to the Company to withhold from the shares to be acquired upon exercise, a number of shares having a Fair Market Value on the exercise date equal to the applicable portion of the Exercise Price being so paid and the appropriate tax withholding, except if and to the extent prohibited by law as to officers and directors, including without limitation, the Sarbanes Oxley Act of 2002, as amended;

(iii) any combination of forms and methods.

Payment must be made at the time that the Option or any part thereof is exercised, and no shares may be issued or delivered upon exercise of an Option until full payment has been made by the Participant.

(e) Special Conditions as to Incentive Stock Options. Incentive Stock Options may only be granted to employees of the Company or any Affiliate. At the time any Incentive Stock Option granted under the Plan is exercised, the Company will be entitled to legend the certificates representing the shares of Stock purchased pursuant to the Option to clearly identify them as representing the shares purchased upon the exercise

of an Incentive Stock Option. An Incentive Stock Option may only be granted within ten (I0) years from the earlier of the date the Plan is adopted or approved by the Company's stockholders.

(f) No Rights as a Stockholder. The holder of an Option, as such, has none of the rights of a stockholder of the Company.

(g) Conditions to the Exercise of an Option. Subject to Section 6.1(e) hereof, each Option granted under the Plan shall be exercisable by whom, at such time or times, or upon the occurrence of such event or events, and in such amounts, as the Committee determines in its sole discretion and specifies in the Stock Incentive Agreement. Subsequent to the grant of an Option and at any time before complete termination of such Option, the Committee may modify the terms of such Option to the extent not prohibited by or inconsistent with the other terms of the Plan, including, without limitation, accelerating the time or times at which such Option may be exercised in whole or in part, including, without limitation, upon a Change in Control (subject to the provisions of Section 6.9, if applicable), and may permit the Participant or any other designated person to exercise the Option, or any portion thereof, for all or part of the remaining Option term, notwithstanding any provision of the Stock Incentive Agreement to the contrary. In no event, however, shall any such modification adversely effect the rights of a Participant under such Option (except as otherwise permitted by the Plan).

(h) Termination of Incentive Stock Option. With respect to an Incentive Stock Option, in the event of Termination of Employment of a Participant, the Option or portion thereof held by the Participant which is unexercised will expire, terminate, and become unexercisable no later than the expiration of three (3) months after the date of Termination of Employment; provided, however, that in the case of a holder whose Termination of Employment is due to death or Disability, up to one (1) year may be substituted for such three (3) month period; provided, further that such time limits may be exceeded by the Committee under the terms of the grant, in which case, the Incentive Stock Option will be a Non-Qualified Option if it is exercised after the time limits that would otherwise apply. For purposes of this Subsection (h) Termination of Employment of the Participant will not be deemed to have occurred if the Participant is employed by another corporation (or a parent or subsidiary corporation of such other corporation) which has assumed the Incentive Stock Option of the Participant in a transaction to which Code Section 424(a) is applicable.

(i) Special Provisions for Certain Substitute Options. Notwithstanding anything to the contrary in this Section 6.2, any Option issued in substitution for an option previously issued by another entity, which substitution occurs in connection with a transaction to which Code Section 424(a) is applicable, may provide for an exercise price computed in accordance with such Code Section and the regulations thereunder and may contain such other terms and conditions as the Committee may prescribe to cause such substitute Option to contain as nearly as possible the same terms and conditions (including the applicable vesting and termination provisions) as those contained in the previously issued option being replaced thereby.

(j) Reload Options. The Committee may specify in a Stock Incentive Agreement granting an Option (or may otherwise determine in its sole discretion) that a Reload Option shall be granted, without further action of the Committee, (i) to a Participant who exercises an Option (including a Reload Option) by surrendering shares of Stock in payment of amounts specified in Section 6.2(c) and for the payment of withholding taxes pursuant to Section 9.1 hereof, (ii) for the same number of shares as are surrendered to pay such amounts, (iii) as of the date of such payment and at an Exercise Price equal to the Fair Market Value of the Stock on such date, and (iv) otherwise on the same terms and conditions as the Option whose exercise has occasioned such payment, except as provided below and subject to such other contingencies, conditions, or other terms as the Committee shall specify at the time such exercised Option is granted; provided, that the shares surrendered in payment as provided above must have been held by the Participant for at least six months prior to such surrender. Unless provided otherwise in the Stock Incentive Agreement, a Reload Option may not be exercised by a Participant (i) prior to the end of a one-year period from the date that the Reload Option is granted, and (ii) unless the Participant retains beneficial ownership of the shares of Stock issued to such Participant upon exercise of the Option which resulted in the granting of the Reload Option for a period of one year from the date of such exercise.

6.3 Terms and Conditions of Stock Appreciation Rights. A Stock Appreciation Right granted under the Plan shall entitle the Participant to receive the excess of (1) the Fair Market Value of a specified or determinable number of shares of the Stock at the time of payment or exercise over (2) a specified or determinable price which may not be less than the Fair Market Value of the Stock on the date of grant. A Stock Appreciation Right granted in connection with another Stock Incentive may only be exercised to the extent that the related Stock Incentive has not been exercised, paid or otherwise settled. Each Stock Appreciation Right shall be subject to the following terms and conditions:

(a) Settlement. Upon settlement of a Stock Appreciation Right, the Company must pay to the Participant the appreciation in cash or shares of Stock (valued at the aggregate Fair Market Value on the date of payment or exercise) as provided in the Stock Incentive Agreement or, in the absence of such provision, as the Committee may determine.

(b) Conditions to Exercise. The Committee may impose such conditions and restrictions on the exercise of a Stock Appreciation Right as it may deem appropriate. Each Stock Appreciation Right granted under the Plan shall be exercisable or payable at such time or times, or upon the occurrence of such event or events, and in such amounts as the Committee specifies in the Stock Incentive Agreement; provided, however, that the time or times or event or events must meet the requirements of Code Section 409A and the rulings, regulations and other guidance issued thereunder as currently in effect or as may subsequently be amended from time to time, including the provisions for delayed distribution to certain key employees (as defined in Code Section 416(i)), if applicable; and provided further the Committee may restrict the time of exercise to specific periods as may be necessary to satisfy the requirements of Rule 16b-3 as promulgated under the Exchange Act.

(c) No Repricing. Except as provided in Section 9.2, without the approval of the Company's stockholders the price of a Stock Appreciation Right may not be amended or modified after the grant of the Stock Appreciation Right, and a Stock Appreciation Right may not be surrendered in consideration of, or in exchange for, the grant of a new Stock Appreciation Right having a price below that of the Stock Appreciation Right that was surrendered.

6.4 Terms and Conditions of Restricted Stock Awards. The number of shares of Stock subject to a Restricted Stock Award, the vesting and other restrictions or conditions on such shares, the restricted period and any dividend or voting rights during the restricted period will be as the Committee determines, and shall be set out in the Stock Incentive Agreement with respect to such award. The certificate(s) for such shares will bear evidence of any restrictions or conditions and will be held in escrow by the Company or other custodian as provided in Section 7.1 during the restricted period. The Committee may require a cash payment from the Participant in an amount no greater than the aggregate Fair Market Value of the shares of Stock awarded determined at the date of grant in exchange for the grant of a Restricted Stock Award or may grant a Restricted Stock Award without the requirement of a cash payment. During the restricted period, the Participant shall have no rights as a stockholder with respect to such shares, except such dividend and voting rights as may be provided under the Stock Incentive Agreement.

6.5 Terms and Conditions of Dividend Equivalent Rights. A Dividend Equivalent Right entitles the Participant to receive payments from the Company in an amount determined by reference to any cash dividends paid on a specified number of shares of Stock to Company stockholders of record during the period such rights are effective. The Committee may impose such restrictions and conditions on any Dividend Equivalent Right as the Committee in its discretion shall determine, including the date any such right shall terminate, and may reserve the right to terminate, amend or suspend any such right at any time. Each Dividend Equivalent Right shall be subject to the following terms and conditions:

(a) Payment. Payment in respect of a Dividend Equivalent Right may be made by the Company in cash or shares of Stock (valued at Fair Market Value as of the date payment is owed) as provided in the Stock Incentive Agreement or, in the absence of such provision, as the Committee may determine.

(b) Conditions to Payment. Each Dividend Equivalent Right granted under the Plan shall be payable at such time or times, or upon the occurrence of such event or events, and in such amounts, as the

Committee specifies in the applicable Stock Incentive Agreement; provided, however, to the extent such Dividend Equivalent Right provides for the deferral of compensation subject to the provisions of Code Section 409A, such time or times or event or events of payment shall meet the distribution requirements of Code Section 409A and the rulings, regulations and other guidance issued thereunder as currently in effect or as subsequently may be amended from time to time, including the provisions for delayed distribution to certain key employees (as defined in Code Section 416(i)), if applicable; and provided further the Committee may restrict the time of exercise to specific periods as may be necessary to satisfy the requirements of Rule 16b-3 as promulgated under the Exchange Act.

6.6 Terms and Conditions of Performance Unit Awards. A Performance Unit Award shall entitle the Participant to receive, at a specified future date, payment of an amount equal to all or a portion of the value of a specified or determinable number of units (stated in terms of a designated or determinable dollar amount per unit) granted by the Committee. At the time of the grant, the Committee must determine the base value of each unit, the number of units subject to a Performance Unit Award, and the performance goals applicable to the determination of the ultimate payment value of the Performance Unit Award. The Committee may provide for an alternate base value for each unit under certain specified conditions. Each Performance Unit Award shall be subject to the following terms and conditions:

(a) Payment. Payment in respect of Performance Unit Awards may be made by the Company in cash or shares of Stock (valued at Fair Market Value as of the date payment is owed) as provided in the applicable Stock Incentive Agreement or, in the absence of such provision, as the Committee may determine.

(b) Conditions to Payment. Each Performance Unit Award granted under the Plan shall be payable at such time or times, or upon the occurrence of such event or events, and in such amounts, as the Committee may specify in the applicable Stock Incentive Agreement; provided, however, to the extent such Performance Unit Award provides for the deferral of compensation subject to the provisions of Code Section 409A, such time or times or event or events of payment shall meet the distribution requirements of Code Section 409A and the rulings, regulations and other guidance issued thereunder as currently in effect or as subsequent may be amended from time to time, including the provisions for delayed distribution to certain key employees (as defined in Code Section 416(i)), if applicable; and provided further the Committee may restrict the time of exercise to specific periods as may be necessary to satisfy the requirements of Rule 16b-3 as promulgated under the Exchange Act.

6.7 Terms and Conditions of Restricted Stock Units. Restricted Stock Units shall entitle the Participant to receive, at a specified future date or event, payment of an amount equal to all or a portion of the Fair Market Value of a specified number of shares of Stock at the end of a specified period. At the time of the grant, the Committee will determine the factors which will govern the portion of the Restricted Stock Units so payable, including, at the discretion of the Committee, any performance criteria that must be satisfied as a condition to payment. Restricted Stock Unit awards containing performance criteria may be designated as Performance Unit Awards. Restricted Stock Unit awards shall be subject to the following terms and conditions:

(a) Payment. Payment in respect of Restricted Stock Units may be made by the Company in cash or shares of Stock (valued at Fair Market Value as of the date payment is owed) as provided in the applicable Stock Incentive Agreement or, in the absence of such provision, as the Committee may determine.

(b) Conditions to Payment. Each Restricted Stock Unit granted under the Plan shall be payable at such time or times, or upon the occurrence of such event or events, and in such amounts, as the Committee may specify in the applicable Stock Incentive Agreement; provided, however, to the extent such Restricted Stock Unit provides for the deferral of compensation subject to the provisions of Code Section 409A, such time or times or event or events of payment shall meet the distribution requirements of Code Section 409A and the rulings, regulations and other guidance issued thereunder as currently in effect or as subsequent may be amended from time to time, including the provisions for delayed distribution to certain key employees (as defined in Code Section 416(i)), if applicable; and provided further the Committee may restrict the time of exercise to specific periods as may be necessary to satisfy the requirements of Rule 16b-3 as promulgated under the Exchange Act.

6.8 Treatment of Awards Upon Termination of Employment. Except as otherwise provided by Sections 6.2(h) and 6.9, any award under this Plan to a Participant who has experienced a Termination of Employment or termination of some other service relationship with the Company and its Affiliates may be cancelled, accelerated, paid or continued, as provided in the applicable Stock Incentive Agreement, or, as the Committee may otherwise determine to the extent not prohibited by or inconsistent with the provisions of the Plan. The portion of any award exercisable in the event of continuation or the amount of any payment due under a continued award may be adjusted by the Committee to reflect the Participant's period of service with the Company and/or an Affiliate from the date of grant through the date of the Participant's Termination of Employment or other service relationship or such other factors as the Committee determines are relevant to its decision to continue the award.

6.9 Deferred Compensation. Notwithstanding the Committee's discretion to determine the terms and conditions of each Stock Incentive under the Plan, with respect to each Stock Incentive granted under the Plan which provides for the deferral of compensation subject to the provisions of Code Section 409A, such terms and conditions, including, without limitation, the period or time of, or event or events triggering, exercise or payment of such Stock Incentive, shall comply with the provisions and requirements of Code Section 409A and the rulings, regulations and other guidance issued thereunder as currently in effect or as may subsequently be amended from time to time. Any authority granted to the Committee under the Plan to amend, modify, cancel, accelerate, continue or change in any way the terms and conditions of or a Participant's rights under a Stock Incentive subsequent to the date such Stock Incentive is granted under the Plan, shall be applicable to Stock Incentives which provide for the deferral of compensation only if, and to the extent provided in and allowable under Code Section 409A and such rulings, regulations and guidance thereunder without resulting in adverse tax consequences to the Participant.

ARTICLE VII
RESTRICTIONS ON STOCK

7.1 Escrow of Shares. Any certificates representing the shares of Stock issued under the Plan will be issued in the Participant's name, but, if the applicable Stock Incentive Agreement so provides, the shares of Stock will be held by the Company or by a custodian designated by the Committee (the "Custodian"). Each applicable Stock Incentive Agreement providing for the transfer of shares of Stock to a Custodian must appoint the Custodian as the attorney-in-fact for the Participant for the term specified in the applicable Stock Incentive Agreement, with full power and authority in the Participant's name, place and stead to transfer, assign and convey to the Company any shares of Stock held by the Custodian for such Participant, if the Participant forfeits the shares under the terms of the applicable Stock Incentive Agreement. Alternatively, the Stock Incentive Agreement may provide for the Participant simultaneously with the execution of the Stock Incentive Agreement, to deliver to the Company or the Custodian holding the Stock a stock power as to such Stock, endorsed in blank. During the period that the Company or Custodian holds the shares subject to this Section, the Participant shall be entitled to all rights, except as provided in the applicable Stock Incentive Agreement, applicable to shares of Stock not so held. Any dividends declared on shares of Stock held by the Company or Custodian must, as provided in the applicable Stock Incentive Agreement, be paid directly to the Participant or, in the alternative, be retained by the Custodian or by the Company until the expiration of the term specified in the applicable Stock Incentive Agreement and shall then be delivered, together with any proceeds, with the shares of Stock to the Participant or to the Company, as applicable.

7.2 Restrictions on Transfer. The Participant does not have the right to make or permit to exist any disposition of the shares of Stock issued pursuant to the Plan except as provided in the Plan or the applicable Stock Incentive Agreement. Any disposition of the shares of Stock issued under the Plan by the Participant not made in accordance with the Plan or the applicable Stock Incentive Agreement will be void. The Company will not recognize, or have the duty to recognize, any disposition not made in accordance with the Plan and the applicable Stock Incentive Agreement, and the shares so transferred will continue to be bound by the Plan and the applicable Stock Incentive Agreement.

ARTICLE VIII
TERMINATION AND AMENDMENT

8.1 Termination and Amendment. The Board at any time may amend or terminate the Plan without stockholder approval; provided, however, that the Board shall obtain stockholder approval for any amendment to the Plan that increases the number of shares of Stock available under the Plan, materially expands the classes of individuals eligible to receive Stock Incentives, materially expands the type of awards available for issuance under the Plan, or would otherwise require stockholder approval under the rules of any applicable exchange or under the Code.

8.2 Effect on Participants' Rights. No such termination or amendment without the consent of the holder of a Stock Incentive may adversely affect the rights of the Participant under such Stock Incentive. With respect to any Stock Incentive which provides for the deferral of compensation subject to the provisions of Code Section 409A, no termination or amendment of the Plan shall have the effect of accelerating the payment of any benefit or otherwise violating any provision of Section 409A and the rulings, regulations and other guidance thereunder as currently in effect or as may subsequently be amended from time to time.

ARTICLE IX
GENERAL PROVISIONS

9.1 Withholding. The Company must deduct from all cash payments under the Plan any taxes required to be withheld by federal, state or local government. Whenever the Company proposes or is required to issue or transfer shares of Stock under the Plan or upon the vesting of any Restricted Stock Award, the Company has the right to require the recipient to remit to the Company an amount sufficient to satisfy any federal, state and local tax withholding requirements, as a condition of and prior to the delivery of any certificate or certificates for such shares or the vesting of such Restricted Stock Award. A Participant may pay the withholding obligation in cash, or, if and to the extent the applicable Stock Incentive Agreement so provides, a Participant may elect to have the number of shares of Stock he is to receive reduced by, or tender back to the Company, the smallest number of whole shares of Stock which, when multiplied by the Fair Market Value of the shares of Stock determined as of the date such withholding is required is sufficient to satisfy federal, state and local, if any, withholding obligations arising from exercise or payment of a Stock Incentive.

9.2 Changes in Capitalization; Merger; Liquidation.

(a) The aggregate number of shares of Stock reserved for the grant of awards of Stock Incentives, for issuance upon the exercise or payment, as applicable, of each outstanding Stock Incentive and upon vesting of a Stock Incentive; the Exercise Price of each outstanding Option; and the specified number of shares of Stock to which each outstanding Stock Incentive pertains shall be proportionately adjusted for any increase or decrease in the number of issued shares of Stock resulting from a stock split, stock dividend, combination or exchange of shares, exchange for other securities, reclassification, reorganization, recapitalization or any other increase or decrease in the number of outstanding shares of Stock effected without consideration to the Company.

(b) In the event of a merger, consolidation, reorganization, extraordinary dividend, spin-off, sale of substantially all of the Company's assets, other change in capital structure of the Company, or tender offer for shares of Stock, the Committee may make such adjustments with respect to awards and take such other action as it deems necessary or appropriate, including, without limitation, the substitution of new awards, or the adjustment of outstanding awards, the acceleration of awards, the removal of restrictions on outstanding awards, or the termination of outstanding awards in exchange for the cash value determined in good faith by the Committee of the vested and/or unvested portion of the award, all as may be provided in the applicable Stock Incentive Agreement or, if not expressly addressed therein, as the Committee subsequently may determine in its sole discretion. Any adjustment pursuant to this Section 9.2 may provide, in the Committee's discretion, for the elimination without payment therefor of any fractional shares that might otherwise become subject to any Stock Incentive, but, except as set forth in this Section, may not otherwise diminish the then value of the Stock Incentive. Notwithstanding the foregoing, the Committee shall not have any of the foregoing

powers with respect to a Stock Incentive which provides for the deferral of compensation subject to Section 409A except in the event of a Change in Control, in which event such powers shall be exercised in accordance with the provisions of such Section 409A and the rulings, regulations and other guidance issued thereunder as now in effect or as subsequently may be amended so as not to result in adverse tax consequences to any Participant under the provisions thereof.

(c) The existence of the Plan and the Stock Incentives granted pursuant to the Plan shall not affect in any way the right or power of the Company to make or authorize any adjustment, reclassification, reorganization or other change in its capital or business structure, any merger or consolidation of the Company, any issue of debt or equity securities having preferences or priorities as to the Stock or the rights thereof, the dissolution or liquidation of the Company, any sale or transfer of all or any part of its business or assets, or any other corporate act or proceeding.

9.3 Compliance with Code.

(a) All Incentive Stock Options to be granted hereunder are intended to comply with Code Section 422, and all provisions of the Plan and all Incentive Stock Options granted hereunder must be construed in such manner as to effectuate that intent.

(b) All Stock Incentives awarded under the Plan which provide for the deferral of compensation subject to the provisions of Code Section 409A are intended to comply, and to be operated and administered in all respects in compliance, with the provisions of that Section and the rulings, regulations and other guidance issued thereunder as currently in effect or as may subsequently be amended, and all provisions of the Stock Incentive Awards and of the Plan applicable thereto must be construed in a manner to effectuate that intent. In the event any provisions hereof or of a Stock Incentive Agreement is deemed to violate the requirements of Code Section 409A and such guidance issued thereunder, such provision shall be void and of no effect. In the event subsequent regulations, Internal Revenue Service rulings or other pronouncements or guidance interpreting or implementing the provisions of Section 409A of the Code affect any provisions hereof and/or the Stock Incentive Agreements, the Plan and/or the Stock Incentive Agreements shall be amended, as necessary, to comply with such regulation, ruling or other pronouncement or guidance; and, until adoption of any such amendment, the provisions hereof shall be construed and interpreted, to the extent possible, to comply with the applicable provisions of such regulation, ruling or other pronouncement or guidance as amended.

9.4 Right to Terminate Employment or Service. Nothing in the Plan or in any Stock Incentive Agreement confers upon any Participant the right to continue as an officer, employee or director of the Company or any of its Affiliates or affects the right of the Company or any of its Affiliates to terminate the Participant's employment or services at any time.

9.5 Non-Alienation of Benefits. Other than as provided herein, no benefit under the Plan may be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge; and any attempt to do so shall be void. No such benefit may, prior to receipt by the Participant, be in any manner liable for or subject to the debts, contracts, liabilities, engagements or torts of the Participant.

9.6 Restrictions on Delivery and Sale of Shares; Legends. Each Stock Incentive is subject to the condition that if at any time the Committee, in its discretion, shall determine that the listing, registration or qualification of the shares covered by such Stock Incentive upon any securities exchange or under any state or federal law is necessary or desirable as a condition of or in connection with the granting of such Stock Incentive or the purchase or delivery of shares thereunder, the delivery of any or all shares pursuant to such Stock Incentive may be withheld unless and until such listing, registration or qualification shall have been effected. If a registration statement is not in effect under the Securities Act of 1933 or any applicable state securities laws with respect to the shares of Stock purchasable or otherwise deliverable under Stock Incentives then outstanding, the Committee may require, as a condition of exercise of any Option or as a condition to any other delivery of Stock pursuant to a Stock Incentive, that the Participant or other recipient of a Stock Incentive represent, in writing, that the shares received pursuant to the Stock Incentive are being acquired for investment and not with a view to distribution and agree that the Shares will not be disposed of except

pursuant to an effective registration statement, unless the Company shall have received an opinion of counsel that such disposition is exempt from such requirement under the Securities Act of 1933 and any applicable state securities laws. The Company may include on certificates representing shares delivered pursuant to a Stock Incentive such legends referring to the foregoing representations or restrictions or any other applicable restrictions on resale as the Company, in its discretion, shall deem appropriate.

9.7 Listing and Legal Compliance. The Committee may suspend the exercise or payment of any Stock Incentive so long as it determines that securities exchange listing or registration or qualification under any securities laws is required in connection therewith and has not been completed on terms acceptable to the Committee.

9.8 Stockholder Approval. The Plan must be submitted to the stockholders of the Company for their approval within twelve (12) months before or after the adoption of the Plan by the Board of the Company. If such approval is not obtained, any Stock Incentive granted hereunder will be void.

9.9 Choice of Law. The laws of the State of Louisiana shall govern the Plan, to the extent not preempted by federal law, without reference to the principles of conflict of laws.

9.10 Plan Binding on Successors. The Plan shall be binding upon the successors and assigns of the Company.

9.11 Singular, Plural; Gender. Whenever used herein, nouns in the singular shall include the plural, and the masculine pronoun shall include the feminine gender.

9.12 Headings, etc., No Part of Plan. Headings of Articles and Sections hereof are inserted for convenience and reference; they do not constitute part of the Plan.

IN WITNESS WHEREOF, the Company has executed this Plan this the 30th day of May, 2012, to be effective as of the Effective Date.

COMMUNITY TRUST FINANCIAL CORPORATION

By: /s/ Drake Mills

Title: Chairman, President & CEO

COMMUNITY TRUST FINANCIAL CORPORATION
2012 STOCK INCENTIVE PLAN

Stock Incentive Agreement
for Restricted Stock Award

This Agreement is made this the ___ day of March, 2015 by and between Community Trust Financial Corporation (the "Company") and Martin L. Hall (the "Grantee") pursuant to the Community Trust Financial Corporation 2012 Stock Incentive Plan (the "Plan").

WITNESSETH:

WHEREAS, Grantee is now employed by the Company as EVP/State President and

WHEREAS, in connection with Grantee's employment with the Company, Grantee is entitled to an Executive Incentive Bonus for 2014 and, pursuant to the Company's Executive Incentive Plan, 20% of such bonus is to be paid by issuance of shares of restricted stock in the Company; and

WHEREAS, the Board of Directors desires to fulfill its obligation under the Executive Incentive Plan by an award to the Grantee under the Plan upon the conditions and terms contained within this Stock Incentive Agreement (the "Award Agreement").

NOW, THEREFORE, the Company hereby grants Grantee the right to earn the following equity grant (the "Award"), and the Company and Grantee agree as follows with respect to such Award:

ARTICLE I
TERMS OF GRANT

1.1 Name of Grantee: [ ]

1.2 Date of Grant: [ ]

1.3 Type of Equity Granted: Restricted Stock Award

1.4 Number of Equity Shares Granted: [ ]

1.5 Value of Grant at Grant Date: [ ]

1.6 Vesting Schedule: [ ]

ARTICLE II
RESTRICTED STOCK

2.1 Grant of Restricted Stock. The Award under this Agreement grants to Grantee the number of shares of Restricted Stock of the Company as provided in Section 1.4 above, subject to the terms and conditions provided herein.

2.2 Issue Price. The Grantee shall not be required to pay any issue price to the Company in exchange for the Restricted Stock granted hereunder.

2.3 Distributions and Voting Rights.

(a) The Grantee shall be entitled to any and all dividends and other distributions with respect to shares of Restricted Stock that become payable during the Restricted Period; provided, however, that no dividends or other distributions shall be payable to or for the benefit of the Grantee for shares of Restricted Stock with respect to record dates occurring prior to the Grant Date, or with respect to record dates occurring on or after the date, if any, on which the Grantee has forfeited those shares of Restricted Stock.

(b) The Grantee shall be entitled to vote the shares of Restricted Stock during the Restricted Period to the same extent as would have been applicable to the Grantee if the Grantee was then vested in the shares; provided, however, that, the Grantee shall not be entitled to vote the shares with respect to record dates for such voting rights arising prior to the Grant Date, or with respect to record dates occurring on or after the date, if any, on which the Grantee has forfeited those shares of Restricted Stock.

2.4 Deposit of Shares of Restricted Stock. Each Certificate or Statement issued in respect of shares of Restricted Stock granted under this Agreement shall be registered in the name of the Grantee and shall be held by the Company until all restrictions imposed hereunder shall lapse. Grantee shall, simultaneously with the execution of this Agreement, deliver to the Company a stock power endorsed in blank. As and when the Grantee (or the Grantee's beneficiary in the event of the Grantee's death, designated as provided in Section 5.8) becomes vested in the shares of Restricted Stock as provided in Section 2.5 and remits payment of, or provides for the withholding of, all taxes the Company is required to withhold as provided in Section 5.9(a) below, the Company shall deliver to the Grantee (or the Grantee's beneficiary in the event of the Grantee's death, designated as provided in Section 5.8) a certificate or statement evidencing the outright ownership of such vested shares free of any and all restrictions imposed under this Agreement.

2.5 Vesting. Grantee shall vest in the Restricted Stock on the earliest of (a) the Vesting Date, as defined in Section 1.6, provided the Grantee has not incurred a Termination of Employment prior to that date, (b) the Grantee's death, (c) the Grantee's Disability, or (d) Grantee's Retirement.

2.6 Termination/Forfeiture of Shares. Any Award of Restricted Stock that is not vested at the time of the Grantee's Termination of Employment for any reason other than death or disability shall be forfeited in its entirety and all rights of the Grantee and obligations of the Company hereunder shall be immediately terminated.

ARTICLE III.
CHANGE IN CONTROL OF THE COMPANY

3.1 Effect of Change in Control.

(a) If the Company is not the surviving corporation following a Change in Control, and the surviving corporation following such Change in Control or the acquiring corporation (such surviving corporation or acquiring corporation is hereinafter referred to as the "Acquiror") does not assume the outstanding Restricted Stock Award granted hereunder or does not substitute equivalent equity awards relating to the securities of such Acquiror or its affiliates for such Options, then the Restricted Stock Award shall become immediately and fully vested. In addition, the Board of Directors or its designee may, in its sole discretion, provide for a cash payment to be made to the Grantee for the outstanding Restricted Stock Award upon the consummation of the Change in Control, determined on the basis of the fair market value that would be received in such Change in Control by the holders of the Company's securities relating to such Restricted Stock.

(b) If the Company is the surv1vmg corporation following a Change in Control, or the Acquiror assumes the outstanding Restricted Stock Award granted hereunder or substitutes equivalent equity awards relating to the securities of such Acquiror or its affiliates for such Restricted Stock Awards, then the Restricted Stock Awards or such substitutes therefor shall remain outstanding and be governed by their respective terms and the provisions of the Plan.

3.2 Amendment or Termination. This Article III shall not be amended or terminated at any time if any such amendment or termination would adversely affect the rights of the Grantee hereunder.

ARTICLE IV.
MISCELLANEOUS PROVISIONS

4.1 Adjustments Upon Changes in Stock. In case of any reorganization, recapitalization, reclassification, stock split, stock dividend, distribution, combination of shares, merger, consolidation, rights offering, or any other changes in the corporate structure or shares of the Company, appropriate adjustments may be made by the Committee or the Board of Directors, as the case may be, (or if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) in the aggregate number and kind of shares subject to the Plan, and the number and kind of shares subject to outstanding Restricted Stock Award. Appropriate adjustments may also be made by the Committee or the Board of Directors, as the case may be, in the terms of any Awards under the Plan, subject to the provisions of the Plan, to reflect such changes and to modify any other terms of outstanding Awards on an equitable basis. Any such adjustments made by the Committee or the Board of Directors pursuant to this Section shall be conclusive and binding for all purposes under the Plan.

4.2 Amendment, Suspension, and Termination of Plan.

(a) The Board of Directors may suspend or terminate the Plan or any portion thereof at any time, and, subject to limitations contained therein and subject to shareholder approval if required, may amend the Plan from time to time in such respects as the Board of Directors may deem advisable in order that any awards thereunder shall conform to any change in applicable laws or regulations or in any other respect the Board of Directors may deem to be in the best interests of the Company; provided, however, that no such amendment, suspension, or termination shall adversely alter or impair the Restricted Stock Award granted hereunder without the consent of the Grantee.

(b) The Committee may amend or modify the Restricted Stock Award granted hereunder in any manner to the extent that the Committee would have had the authority under the Plan initially to grant the Restricted Stock Award as so modified or amended; however, no such amendment or modification shall adversely alter or impair the Restricted Stock Award granted hereunder without the consent of the Grantee.

(c) Notwithstanding the foregoing, the Plan and the Agreement may be amended without any additional consideration to the Grantee to the extent necessary to comply with, or avoid penalties under, Section 409A of the Code, even if those amendments reduce, restrict or eliminate rights granted prior to such amendments.

4.3 No Right To Employment/Other Service. None of the actions of the Company in establishing the Plan, the actions taken by the Company, the Board of Directors or the Committee under the Plan, or the granting of the Restricted Stock Award pursuant to this Agreement shall be deemed (a) to create any obligation on the part of the Company or any Affiliate or on the Board of Directors of the Company or such Affiliate to retain the Grantee as an employee, consultant, director or other service provider or to nominate Grantee for election to the Board of Directors, or (b) to be evidence of any agreement or understanding, express or implied, that the person has a right to continue as an employee, consultant, other service provider, or non-employee director for any period of lime or at any particular rate of compensation.

4.4 Plan and Grant Document Control. The grant of the Restricted Stock Award hereunder is governed and controlled by the terms of the Plan and this Award Agreement. All the provisions of the Plan, as such may be amended from time to time, are hereby incorporated into this Agreement by this reference. All capitalized tern1s utilized in this Agreement shall have the same meaning as in the Plan, except as otherwise specifically provided herein.

4.5 Governing Law. All matters relating to the Plan or to awards granted under the Plan pursuant to this Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana without regard to the principles of conflict of laws.

4.6 Trust Arrangement. All benefits under the Plan represent an unsecured promise to pay by the Company. The Plan shall be unfunded and the benefits hereunder shall be paid only from the general assets of the Company resulting in the Grantee having no greater rights than the Company’s general creditors; provided, however, nothing

herein shall prevent or prohibit the Company from establishing a trust or other arrangement for the purpose of providing for the payment of the benefits payable under the Plan.

4.7 No Impact on Benefits. The Restricted Stock Award granted hereunder is not compensation for purposes of calculating the Grantee's rights under any employee benefit plan of the Company or any Affiliate that does not specifically require the inclusion of Awards in calculating benefits.

4.8 Beneficiary Designation. The Grantee may name a beneficiary or beneficiaries to receive any vested portion of the Award that is unpaid at the Grantee's death. Unless otherwise provided in the beneficiary designation, each designation will revoke all prior designations made by the Grantee, must be made on a form prescribed by the Committee and will be effective only when filed in writing with the Committee. If the Grantee has not made an effective beneficiary designation, the deceased Grantee's beneficiary will be the Grantee's surviving spouse or, if none, the deceased .Grantee's estate. The identity of a Grantee's designated beneficiary will be based only on the information included in the latest beneficiary designation form completed by the Grantee and will not be inferred from any other evidence.

4.9 Taxes.

(a) Withholding. The Company shall have the power and the right to deduct or withhold, or require the Grantee to remit to the Company, the minimum statutory amount to satisfy federal, state and local taxes req1Jred by law. or .regulation to be withheld with respect to any taxable event arising as a result of the Restricted Stock Award granted hereunder, if any. With respect to withholding required upon any taxable event arising as a result of the Restricted Stock Award granted hereunder, the Grantee may elect, subject to the approval of the Committee, to satisfy the withholding requirement, in whole or in part, by having the Company withhold shares of Stock of the Company having a Fair Market Value on the date the tax is to be determined equal to the minimum statutory total tax that could be imposed on the transaction. Alternatively, the Grantee may elect for such taxes to be withheld from other compensation otherwise due to the Grantee from the Company and provided Grantee's other compensation is sufficient to cover such taxes. All such elections shall be irrevocable, made in writing and signed by the Grantee, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate. All such elections shall be made and filed with the Committee in the manner determined by the Committee on or before the Vesting Date, or such earlier date as shall be determined by the Committee. If an election has not been made by the Grantee, or the amount of the taxes required to be withheld has not been remitted by the Grantee to the Company on or before the Vesting Date, the Company shall withhold shares of Stock of the Company having a Fair Market Value equal to the tax required to be withheld from the Restricted Stock vesting pursuant to this Award on such date.

(b) Section 83(b) Election. The Grantee may elect to accelerate any Federal tax payment due as a result of receiving an Award of Restricted Stock by making a timely election pursuant to Section 83(b) of the Code, and complying with the procedures outlined therein.

4.10 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

4.11 Severability. In the event any provision of the Plan or this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan or this Agreement, and the Plan or this Agreement shall be construed and enforced as if the illegal or invalid provision had not been included.

IN WITNESS WHEREOF, the parties hereto have caused this Stock Incentive Agreement executed to be effective as of the date first noted above.

COMMUNITY TRUST FINANCIAL CORPORATION

By: _____

_____
(Insert Name)

_____
(Insert Title)

GRANTEE:

_____

_____
Grantee Name

_____
Address

_____
City, State, Zip Code

STOCK POWER
RESTRICTED STOCK AWARD

FOR VALUE RECEIVED, _____ (Grantee) hereby sells, assigns and transfers unto _____, _____ (_____) shares of the Common Stock of Community Trust Financial Corporation standing in his name on the books of said corporation represented by Certificate No. _____ and does hereby irrevocably constitute and appoint the corporate secretary to transfer the said stock on the books of the within named corporation with full power of substitution in the premises.

Dated: _____

_____
Grantee Signature

_____
Print Name

IN PRESENCE OF:

_____
Witness

COMMUNITY TRUST FINANCIAL CORPORATION
2012 STOCK INCENTIVE PLAN
RESTRICTED STOCK AGREEMENT

BENEFICIARY DESIGNATION FORM

I hereby designate the following person or persons to receive the shares of stock of Community Trust Financial Corporation (the "Company") granted to me pursuant to the Restricted Stock Agreement between me and Community Trust Financial Corporation effective the ___ day of _____, 20__ (the "Agreement") in the event of my death prior to my becoming fully vested in such stock and which becomes fully vested upon my death:

Primary Beneficiary(ies):

Name	Address	SS#	Percentage
			%
			%
			%

Note: If more than one primary beneficiary is designated, payment shall be made equally to each unless otherwise specified. In the event of the death of or disclaimer by one or more (but less than all) of the persons designated as primary beneficiaries, his or her share will be paid pro rata to the remaining primary beneficiary(ies).

Contingent Beneficiary(ies):

In the event all of the persons designated as Primary Beneficiaries shall predecease me or disclain1all or any portion of his or her interest granted herein, I hereby designate the following person(s) as my contingent beneficiary(ies):

Name	Address	SS#	Percentage
			%
			%
			%

I hereby acknowledge that the beneficiary designations herein revoke and supersede any and all beneficiary designations previously made by me with regard to my stock under the Agreement. I reserve the right to revoke and/or change the beneficiary designations made herein at any time prior to my death by filing a new Beneficiary Designation Form with the Company.

PARTICIPANT

DATE

Witness

Received and Acknowledged this the ___ day of _____, 20__

COMMUNITY TRUST FINANCIAL CORPORATION

By: _____

Title: _____

Exhibit 10.3

NON-QUALIFIED STOCK OPTION AGREEMENT

BETWEEN

ORIGIN BANCORP, INC.

AND

_____

THIS AGREEMENT is entered into on this the ____ day of _____, 20___, by and between ORIGIN BANCORP, INC., a corporation organized and existing under the laws of the State of Louisiana (hereinafter the "Company"), and _____, an individual resident of _____, Louisiana (hereinafter "Optionee").

WITNESSETH:

WHEREAS, Optionee is employed by the Company or a subsidiary thereof; and

WHEREAS, pursuant to offer letter dated _____, 20__, a copy of which is attached hereto as Exhibit "A," the compensation package offered to Optionee included an option to purchase certain common stock of the Company; and

WHEREAS, Optionee was granted an option for the purchase of _____ shares of Common Stock of the Company (the "Option") upon his commencement of employment; and

WHEREAS, the Company and Optionee desire to document the Option and to set out, in writing, their agreement as to the terms and conditions of the Option as previously granted.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, the parties document their agreement with respect to the Option as follows:

1. **Definitions**. Whenever the following terms are used in this Agreement, they shall have the respective meanings specified below unless the context clearly indicates to the contrary.

(a) "Board" shall mean the Board of Directors of the Company.

(b) "Change in Control" shall mean a change in ownership or effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company as defined

for purposes of Section 409A of the Code in the rulings, regulations and other guidance issued thereunder as currently in effect and as may hereafter from time to time be amended.

(c) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(d) "Common Stock" shall mean the Five Dollar ($5.00) per share par value, voting common stock of the Company.

(e) "Grant Date" shall mean _____, 20___, the date on which Optionee's employment with the Company or a subsidiary thereof commenced and the Option was granted.

(f) "Option" shall mean the option to purchase Common Stock of the Company previously granted to Optionee on the Grant date and documented pursuant to this Agreement.

(g) "Option Price" shall mean the price at which the Common Stock may be purchased pursuant to the Option. In no event shall the Option Price be less than the fair market value of the Common Stock on the Grant Date.

(h) "Successor Entity" shall mean any person or entity which acquires or succeeds to the business of the Company, whether by way of merger, consolidation, sale of assets or other business combination or otherwise.

(i) "Termination of Employment" shall mean the time when Optionee ceases to be employed by the Company, any subsidiary of the Company or any Successor Entity for any reason including, but not limited to, termination by resignation or discharge, death, disability or retirement. The determination of whether a "Termination of Employment" has occurred and the effect of a leave of absence or other leave shall be made in accordance with the provisions of Section 409A of the Code and Treasury Regulations Section 1.409A-1(h)(1).

2. **Terms of Option**.

(a) On the Grant Date, the Company irrevocably granted to Optionee the Option to purchase any part or all of an aggregate of _____ (_____) shares (the "Option Shares") of Common Stock, the terms and conditions of which are documented by and set forth in this Agreement.

(b) The Option Price of the Option Shares shall be _____ and no/100 Dollars ($___.00) per Option Share, without commission or other charge, which price is not less than the fair market value of the Option Shares on the Grant Date.

(c) In the event that the outstanding shares of the Common Stock are changed into or exchanged for a different number or kind of shares of the Company or other securities of the Company or a Successor Entity by reason of merger, consolidation, corporate reorganization, recapitalization, reclassification, stock split, stock dividend, combination of shares or otherwise, the Board, or the governing body of any Successor Entity, shall make an appropriate and equitable adjustment in the number and kind of Option Shares as to which the Option is then unexercised, so that, after such event, the Option Shares as to which the Option is then unexercised shall represent the same potential ownership interest in the Company (or that part of a Successor Entity which consists of the Company) immediately after such event as they represented immediately before such event. Such adjustment shall be made without change in the total price applicable to any then unexercised portion of the Option (except for any change in the aggregate price resulting from the rounding of fractional shares) and with any necessary corresponding adjustment in the Option Price per share. In no event shall the Option Shares include any fractional share or other security, and any fractions resulting from any such adjustment shall be rounded to the nearest whole share. Any such adjustment by the Board or such governing body shall be conclusive and shall bind Optionee, the Company and its subsidiaries and other affiliates, any Successor Entity and any other interested persons. The Board may make such determinations and adopt such rules and conditions as it, in its absolute discretion, deems appropriate in connection with any adjustment pursuant to this Section 2(c), including but not limited to provisions to insure that any such adjustment shall be conditioned on the consummation of the contemplated corporate transaction.

(d) The Option is subject to such amendments or modifications as the Board may from time to time deem necessary to comply with applicable laws or regulations.

3. **Period of Exercisability**.

(a) The Option becomes exercisable, and Optionee may elect to exercise the Option, as to particular Option Shares only after the Option has become vested as to such Option Shares. Subject to Section 3(f), the Option will become vested as to the Option Shares

[Chose one of following alternatives or insert other vesting provisions]

in increments of _____ percent (___%) per year (_____ shares) beginning on _____, 20__ and continuing on _____ of each succeeding year thereafter until all Option Shares subject to the Option have become fully vested.

--OR--

in full on the _____ anniversary of the Grant Date.

--OR--

in accordance with the following schedule:

Vesting Date	**Shares or Percentage Vested**
_____, 20__	_____
_____, 20__	_____
_____, 20__	_____
_____, 20__	_____

(b) The Optionee must be employed by the Company or a subsidiary thereof on the vesting dates provided in Section 3(a) above in order for the Option to become vested and exercisable as to the particular Option Shares scheduled to become vested on that date. The portion of the Option which is not vested at Optionee's Termination of Employment, if any, shall be forfeited and shall not thereafter become vested or exercisable.

(c) Once Option Shares become vested, such Option Shares shall be exercisable by Optionee and will remain exercisable until they terminate or expire as provided in Section 3(d) or (e).

(d) The Option shall expire as to each incremental portion that has vested pursuant to Section 3(a) and may not thereafter be exercised to any extent by anyone after the first to occur of the following events:

(i) the expiration of the ten (10) year period beginning on the date of the vesting of the incremental portion of the Option pursuant to Section 3(a) above; or

(ii) the Optionee's Termination of Employment for any reason other than retirement, death or disability.

(e) Subject to the ten (10) year period in Section 3(d)(i) above, in the event of a Termination of Employment due to retirement, death or disability, the incremental portion of the Option that has vested as of the date of such Termination of Employment shall not expire but shall remain exercisable as follows:

(i) In the event of Termination of Employment due to retirement or disability, Optionee will retain the same rights under this Option Agreement to exercise the portion of the Option vested as of the date of such Termination of Employment as existed immediately before such retirement or disability, which shall continue until such right expires under the provisions of Section 3(d)(i). In the event of the death of Optionee while retired or disabled and prior to exercise of the Option, the Option will be exercisable in the same manner, and only during the period, as provided in Section 3(e)(ii) below.

(ii) In the event of Termination of Employment due to death of Optionee, the vested portion of the Option shares may be exercisable by Optionee's legal successors (by will, descent or distribution) for the one (1) year period following Optionee's death. At the expiration of said one (1) year period, the Option shall expire and this Agreement shall terminate and be null and void.

(f) In the event of a Change in Control of the Company, the Option shall become fully vested and exercisable as to all Option Shares on the effective date of such Change in Control, notwithstanding the vesting schedule under Section 3(a) hereof.

4. **Exercise of Options**.

(a) During the lifetime of Optionee, only Optionee or his guardian or legal representative may exercise the Option, or any portion thereof. Following the death of Optionee, any exercisable portion of the Option may, prior to the time the Option expires under Paragraph 3(e)(ii) above, be exercised by Optionee's legal representative or by any person empowered to do so under Optionee's will or under the then applicable laws of descent and distribution.

(b) The Option, to the extent vested, may be exercised in whole or in part, provided exercise in part must be in multiples of ten (10) shares, or if the balance of shares unexercised is less than ten (10) shares then an amount equal to the balance.

(c) The Option, or the portion thereof then exercisable, may be exercised, subject to registration or qualification of the Option Shares to be received on any such Option exercise under any federal or state law and the rules and regulations of governmental authorities thereunder as the Board may deem necessary or advisable, by delivery to the office of the Secretary of the Company of all of the following prior to the time when the Option expires under Section 3(d) or (e) hereof:

(i) Notice in writing signed by the Optionee or the other person then entitled to exercise the Option, stating that the Option or a portion thereof is thereby exercised. Such notice shall comply with all applicable rules established by the Board, including a statement of the number of shares to be purchased. If the Option is to be exercised by the participant's representative pursuant to Section 4(a) hereof, such proof of the representative's authority must also be provided to the Company as shall be determined by the Board.

(ii) Payment in full of the Option Price for the number of Option Shares being purchased under the Option. Such payment must accompany the notice of exercise or be paid to the Company within thirty (30) days of the date of such notice. Payment of the Option Price may be made (i) in cash, (ii) in shares of Common Stock previously owned by Optionee at the stock's then fair market value, (iii) by instructing the Company to withhold from the Common Stock to be issued on such exercise a sufficient number of shares, at the then-

current fair market value of such shares, to cover the Option Price, or (iv) any combination of the preceding, at the election of the Optionee.

(d) As soon as administratively feasible after receipt of the notice and payment in full of the Exercise Price as provided in Section 4(c), the Company shall issue and deliver to Optionee a certificate representing the shares of Common Stock as to which the Option has been exercised, or the net shares in the event the Company has been instructed by Optionee to withhold shares for the payment of the Option Price and/or taxes.

(e) The Option Shares, or any part thereof, issued under the Option may be either previously authorized but unissued shares or issued shares held in treasury of the Company. The Option Shares, when issued or delivered pursuant to any exercise of the Option, shall be fully paid and nonassessable.

(f) Optionee as such shall not be, and shall not have any of the rights or privileges of, a stockholder of the Company with respect to any Option Shares unless and until such Option Shares have been issued or delivered by the Company to Optionee in accordance with this Agreement.

(g) The Company is authorized to withhold in accordance with applicable law, from any regular cash compensation payable to Optionee, any taxes required to be withheld by the Company under Federal, State or local law, as a result of exercise under the Option. Alternatively, Optionee may instruct the Company to withhold from the Common Stock to be issued on exercise a sufficient number of shares, at the then-current fair market value of such shares to cover the Company's withholding obligation.

5. **Miscellaneous**.

(a) The Board shall have the power to interpret this Agreement and the Option and to adopt, amend or revoke such rules for the administration, interpretation and application of this Agreement and the Option as are consistent therewith. All actions taken and all interpretations and determinations made by the Board in good faith shall be conclusive and shall be binding on Optionee, the Company and its subsidiaries, any Successor Entity and

any other interested persons. No member of the Board shall be personally liable for any action or determination made in good faith with respect to this Agreement or the Option.

(b) Nothing in this Agreement shall confer on Optionee any right to continue in the employment of the Company, or any of the Company's subsidiaries or other affiliates (or any Successor Entity), or shall interfere with, restrict or limit in anyway the rights of the Company or any of the Company's subsidiaries or other affiliates (or any Successor Entity) to discharge Optionee at any time for any reason whatsoever, with or without good cause.

(c) Neither the Option nor any interest or right therein or part thereof shall be assignable or transferable, voluntarily or involuntarily, by operation of law or otherwise and any such assignment or transfer which shall be attempted shall be null and void and of no effect.

(d) The Company shall at all times while the Option is outstanding reserve and keep available such number of shares of Common Stock as will be sufficient to satisfy the requirements of this Agreement.

(e) Any notice to be given under the terms of this Agreement shall be addressed to the Company at its principal place of business in care of its secretary and any notice to be given to the Optionee shall be addressed to the Optionee at the address given beneath the Optionee's signature hereto or at such other address as Optionee subsequently provides written notice to the Company pursuant to this notice provision.

(f) This Agreement shall not be amended or changed except in writing, signed by the Company and Optionee.

(g) This Agreement shall be governed and construed in accordance with the laws of the State of Louisiana. In case any term of this Agreement shall be held invalid, illegal or unenforceable in whole or in part, neither the validity of the remaining part of such term nor the validity of any other term of this Agreement shall in any way be affected thereby.

(h) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, and assigns.

IN WITNESS WHEREOF this Agreement has been duly executed and delivered by or on behalf of the parties hereto on the date first above written.

ORIGIN BANCORP, INC.

By: _____

Name: _____

Title: _____

COMPANY

_____

_____

Name

_____

Address

_____

OPTIONEE

RESTATED EMPLOYMENT AGREEMENT

BETWEEN ORIGIN BANCORP, INC.

&

DRAKE MILLS

Restated
Employment Agreement

This Restated Employment Agreement (hereinafter referred to as "Agreement") is made and entered into effective as of the 1st day of January, 2016 ("Effective Date") by and between:

Origin Bancorp, Inc., formerly known as Community Trust Financial Corporation and CTB Financial Corporation, a bank holding company chartered under the laws of the State of Louisiana and domiciled in Lincoln Parish, Louisiana, and/or its Substantial Subsidiaries, jointly or individually, appearing herein through John M. Buske, its Chairman of the Compensation Committee, (hereinafter called "Employer"),

And

Drake Mills, an adult resident and domiciliary of Lincoln Parish, Louisiana, whose mailing address is PO Box 2525, Ruston, LA 71270, hereinafter referred to as "Employee."

1. **Definitions:**

   A. Substantial Subsidiaries -Banking or non-banking subsidiaries of Employer as of the date of this Agreement, or any measurement or assessment date thereafter, that comprise 25% or more of the total assets of Employer, accounted for as a consolidated entity.

   B. Investor -An individual, partnership, corporation or other legal entity that owns voting stock in Employer and/or any of its Substantial Subsidiaries, exclusive of Employer, as the parent.

   C. Investor Group - A group of Investors, acting under a formal or informal agreement or arrangement and/or under a common objective, common purpose or to the joint mutual benefit that is distinguishable from all Investors, as a group.

   D. Base Salary - The amount of compensation paid to, or on behalf of, the Employee by the Employer exclusive of; cash or non-cash bonuses, deferred compensation arrangements, contributions to employment benefit plans, life insurance premiums, membership dues, reimbursement of travel and business related expenses, and any other non-compensation related payments to the Employee by the Employer.

2. **Employment and Duties:** Employer hereby employs Employee in the capacity as Chief Executive Officer and to perform such other duties consistent with Employee's executive status all as may be determined and assigned to Employee by Employer's Board of Directors. This Agreement supersedes any and all "at will" employment provisions of the Employer with respect to the Employee and shall serve as the complete and comprehensive basis of the employment relationship between the Employer and Employee.

3. **Performance:** Employee shall devote his full time (except for reasonable vacation time and absence due to sickness or similar disability), attention and best efforts to the duties set forth in Section 2 above and shall generally perform his duties the same level of competency and intensity as Employer has come to expect based on past performance.

4. **Term**: The initial term of Employee's employment is for the period commencing on the Effective Date and ending on December 31, 2018, unless earlier terminated as provided in this Agreement. Thereafter, this Agreement shall automatically renew for successive three year periods unless either party shall notify the other, in writing, not less than one hundred eighty (180) days prior to the end of the initial term or any renewal term of its or his intention not to renew this Agreement. The initial term of this Agreement plus any and all renewal terms are referred herein collectively as the "Employment Term." Notice shall be considered effectively given upon personal delivery of said written notice to Employee. Nothing in this Agreement shall be construed to prevent and Employee hereby has the right to terminate this Agreement with or without cause

by giving 30 days written notice addressed to the Employer and delivered to any member of the Board of Directors. Accordingly, the Employee hereby agrees to enter into the employ of the Employer subject to the terms and conditions of this Agreement, for the period (the "Employment Period") commencing on January 1, 2005, as renewed until said notice as described herein is given by Employer, or until the death, disability or termination for cause of Employee as hereinafter set out.

5. **Compensation**: For all services to be rendered by Employee in any capacity herew1der Employer agrees to pay Employee a base salary (Base Salary") to be established annually by the Board of Directors at a rate not less than $835,800.00, such Base Salary to be paid to Employee in equal semi-monthly installments.

In addition to the Base Salary to be paid to Employee hereunder, Employer agrees to pay Employee an annual bonus ("Bonus") in such amount and based upon such formulae and criteria as may be determined by the Board of Directors from time to time.

6. **Insurance**: Employer shall provide Employee with medical and hospitalization insurance, disability income insurance and group life insurance upon such terms and conditions as may be determined by the Board of Directors from time to time and through such programs as is provided to other employees of Employer.

Employee agrees that Employer, in its discretion, may apply for and procure in its own name and for its own benefit, life insurance in any amount or amounts considered advisable; and that Employee shall have no right, title or interest therein, and further, agrees to submit to any medical or other examination and to execute and deliver any application or other instrument in writing, reasonably necessary to effectuate such insurance.

7. **Pension and Profit Sharing:** Employer shall include Employee in all Employer sponsored 401K Plans and other pension and profit-sharing plans in a comparable manner as provided for Employer's other executive officers. In addition, Employer shall include Employee in a Supplemental Executive Retirement Plan (SERP) upon terms and conditions agreed upon by the Board of Directors

8. **Miscellaneous Benefits**: Employer agrees to provide Employee with the following additional benefits at Employer's sole expense:

A. Professional dues and program costs for all professional organization memberships and continuing education programs deemed reasonably necessary by Employee to maintain his professional standing as Chief Executive Officer of Employer;

B. Sick Leave benefits as are granted pursuant to Employer's policy;

C. Vacation benefits as granted pursuant to Employer's policy;

D. All expenses, including meals, lodging, transportation and miscellaneous for business and related travel. Employer agrees to reimburse Employee for said travel expenses upon written request;

E. Disability benefits, to include payment to Employee of the periodic Base Salary installments as stated above, commencing on the date the Employee is unable to perform his duties as Chief Executive Officer and continuing until disability benefits are provided to the Employee from the disability insurance provider.

F. Monthly membership dues at Squire Creek Country Club, Choudrant, LA.;

G. A vehicle to be agreed upon by Employer and Employee, including all routine operating maintenance expenses.

9. **Termination**: Notwithstanding anything contained in this Agreement to the contrary, and subject to the provisions of Section 17, and unless otherwise agreed to in writing by Employer and Employee, this Agreement shall terminate upon the occurrence of any of the following events:

A. At any time by mutual agreement in writing between Employer and Employee;

B. Immediately upon the death of the Employee;

C. Immediately upon the Employee becoming permanently and totally disabled, which shall result in the permanent inability to satisfactorily perform the Employee's regular duties as performed prior to such disability, which disability, shall be defined in the Employer's benefit plan and determined in good faith by Employer's Board of Directors;

D. At any time for Cause. For purposes of this Agreement, Cause shall be (1) a finding by Employer of the Employee's addiction to intoxicating drugs (including alcohol), which materially affects his ability to perform duties outlined herein; (2) a conviction, guilty plea or no contest plea involving dishonesty, moral turpitude as set forth in this Agreement or (3) the willful engagement by the Employee in disloyal misconduct which is materially and demonstrably injurious to the Employer or (4) otherwise failing to perform obligations as set forth in this Agreement after notice and failure to correct such actions. Termination shall not occur unless and until there shall have been delivered to the Employee a copy of a resolution duly adopted by the affirmative vote of not less than two-thirds of the entire membership of the Board of Directors of Employer at a meeting of said Board of Directors called and held for such purpose, after reasonable notice is provided to the Employee and the Employee is given an opportunity, together with counsel, to be heard before this Board of Directors, finding that, in the good faith opinion of the Board, the Employee is guilty of the conduct described in the foregoing, and specifically the particulars thereof in detail.

Employee shall be provided a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under the provisions so indicated, (iii) the termination date, and (iv) Employee's right to a hearing before the Board of Directors of CTB Financial Corporation.

10. **Compensation upon Termination of Employment:**

A. Upon termination of this Agreement in accordance with Section 9 above, Employee shall be entitled to receive such Base Salary and other benefits as may be provided in this Agreement and as are accrued and unpaid as of Employee's last day of employment. Such benefits shall include (except in the event of a termination pursuant to Section 9 D), Employee's bonus equal to the bonus paid the Employee for the year immediately preceding the year during which termination occurs prorated based upon the number of days Employee was employed during such year.

B. Notwithstanding any of the foregoing, in the event there is a Change of Control of the Employer and Employee is terminated or compensation or responsibilities are diminished within thirty-six (36) months of such Change in Control, Employee will be entitled to additional benefits. Change of Control shall be defined as follows:

i. An event that occurs subsequent to the date of this Agreement, and

ii. Whereby an Investor and/or Investor Group acquires or accumulates, through equity dividends, grants, stock options, purchases, inheritances or otherwise, inclusive of options to acquire stock in the future, fifty percent (50%) or more of the value or voting power of the Employer's then issued and outstanding capital stock of Employer, or

iii. Employer completes a merger or consolidation with another corporation, other than a merger or consolidation which would result in the voting securities of Employer outstanding immediately prior thereto continuing to represent (either by remaining securities outstanding or by being converted into voting securities of the surviving entity) more than fifty one percent (51%) of the combined voting power of the voting securities of the Employer, or such surviving entity, as applicable, outstanding immediately after such merger.

C. In the event that Employer undergoes a change of control, as outlined hereinabove, the Employer shall notify the Employee in writing within ten (10) business days following the change in control (the "CIC Notice"). If Employee is terminated or his responsibilities and/or compensation are reduced or diminished within thirty-six (36) months of such CIC Notice, the Employee shall be entitled immediately upon the occurrence of such event to the payment of the following additional consideration, in addition to all other compensation accrued through the date of such event diminished only by an amount equal to the product of multiplying the sum required to be paid in (i) and (ii) below by a fraction, the numerator of which is the number of full months elapsed between delivery of the notice of Change in Control and termination, change in responsibility and/or compensation and the denominator of which is 36:

i. To receive an amount equal to three (3) times Employee's annual Base Salary at date of the CIC Notice;

ii. To receive an amount equal to three (3) times the average of the Bonus paid to Employee during the three (3) calendar years immediately preceding the date of the CIC Notice;

iii. To receive or have paid on Employee's behalf for a period of up to eighteen (18) months following the termination date, all premiums for the continuation of Employer's current medical hospitalization insurance program;

iv. To exercise all options (whether vested or not) to purchase such number of shares of Employer equal to the difference between the number of shares for which options have been granted and the number of shares previously purchased by Employee pursuant to the options described in Section 13 so as to enable Employee to acquire all shares optioned at the price set forth in Section 13;

D. If the Employee and Employer agree, the employment relationship between the Employer and Employee may continue beyond the change in control date to a mutually agreed upon future date. Should such a mutual arrangement occur, the resulting terms and conditions of the future employment relationship shall be committed to writing and added as an addendum to this Agreement. With the exception of the specific provisions of this Agreement that are superseded by said addendwn, all provisions of this Agreement will remain in force until the conclusion of the employment relationship between the Employer and Employee.

Should this Agreement be extended beyond the change in control date, all payments of cash and vesting of stock will occur within ten business days following the change in control and termination within the provisions of Section 1O(C). Post employment insurance provisions will automatically be deferred to become effective upon the final date of termination of employment.

Notwithstanding the specific provisions as stated herein, all amounts to be paid to Employee pursuant to this Section 10 shall be paid, transferred or provided to the Employee by the Employer no later than ninety (90) days following the termination of this Agreement.

11. **Confidentiality:** Employee acknowledges that in rendering services pursuant to this Agreement, Employee will have contact with and develop relationships with the customers of Employer. In all of Employee's activities pursuant to this Agreement, Employee, through nature of Employee's work, will also have access to and will

acquire confidential information related to such customers and the business operations and policies of Employer. Employee acknowledges that all such information with respect to Employer's customers, business, operations and policies is the property solely of Employer and constitutes the confidential information of Employer and at no time, even following termination of this Agreement, shall Employee disclose or otherwise, disseminate or use such confidential information, including the terms and conditions of this Agreement, without having first obtained the prior written consent of Employer.

12. **Non-Solicitation:** Employee irrevocably warrants, covenants and agrees that during the term of this Agreement and for a period of two (2) years following termination hereof, Employee will not within the parishes of Lincoln, Ouachita, Union, Claiborne, Jackson, Morehouse and Bienville together with any other parishes/counties in which Employer may then have a branch banking facility intentionally take any action of any kind, which will disturb or may or might disturb the existing business and/or relationship of Employer with any customer or other employee of Employer with whom Employee came in contact while employed by Employer including, but not being limited to the solicitation of banking business from customers of Employer with whom Employee made or came into contact with as an Employee of Employer. The above provision does not limit or prohibit the Employee from taking any necessary legal actions, on his own behalf and independent of the employment relationship with the Employer, to protect his personal interest against any customer or supplier of the Employer.

Employee agrees that in the event of the breach of any of the terms and provisions of this Section 12, Employer shall be entitled to secure an order in any suit brought for that purpose to enjoin Employee from violating any of the provisions of this Agreement and that pending the hearing and decision on the application for such order, the Employer shall be entitled to a temporary restraining order without prejudice to any other remedy available at the Employer, all at the expense of Employee, including reasonable attorney's fees incurred by the Employer. Employee understands that the covenants of this Article are of fundamental importance to this Agreement, without which no agreement would be entered into by the Employer. The provisions of this Section 12 shall in no event be construed to be an exclusive remedy and such remedy shall be held and construed to be cumulative and not exclusive of any rights of remedies, whether in law or equity, otherwise available under the terms of this Agreement or under the laws of the United States of America or the State of Louisiana.

The covenants and agreements made by Employee in this Section 12 shall be construed as an agreement independent of any other provision in this Agreement and the existence of any claim or cause of action by Employee against Employer whether predicted on this Agreement or otherwise shall not constitute a defense to the enforcement by the Employer, by injunctive relief or otherwise of the provisions of the Section. The invalidity of all or any part of this Section 12 shall not render invalid the remainder of this Section or by any provision which shall be held invalid shall be revised such that it shall comply with any law or ruling with which it shall conflict, to the point at which shall be considered binding and enforceable. No failure or failures on the part of Employer to enforce any violation by Employee of this Section 12 shall constitute a waiver of Employer's rights thereafter to enforce all of the terms, covenants, provisions, and agreements herein contained.

13. **Option to Purchase Stock:**

A. First Option. Employee shall be fully vested with an option to purchase Sixty Thousand (60,000) shares of common stock of Employer for a price of Sixteen and 50/100 Dollars ($16.50) per share. The options herein granted to Employee shall be exercised by Employee at any time on or after their respective vesting dates but in no event later than December 31, 2024, and the total number of shares which Employee may acquire pursuant to this Section shall not exceed Sixty Thousand (60,000). The options herein granted to Employee are personal to Employee and, except as provided for under Section 18, shall not be encumbered, assigned, transferred or otherwise disposed of. Such options shall be exercised by written notice delivered to Employer together with a cashier's check for the respective purchase prices of stock in respect of the options being exercised. No option granted hereunder constitutes an offer to purchase until Employee is provided with, or given reasonable access to full and fair disclosure of all material information relating to the business and affairs of Employer and the purchase of stock.

B. Second Option. Effective October 1, 2011, Employee was granted an option (Second Option) to purchase up to Twenty-Five Thousand (25,000) shares of common stock of CTFC at an option price of Thirty-Five Dollars ($35.00) per share. Conditional upon the Agreement being in full force and effect and Employee not being in default hereunder, the option shall vest and become exercisable as to Five Thousand (5,000) of such shares as of the first day of January of each calendar year, commencing January 1, 2012 and continuing each January I during the term hereof until all option shares have vested. In the event of an IPO of CTFC's stock during the term hereof, the entire option will be considered fully vested.

The Second Option herein granted to Employee may be exercised to the extent vested, in whole or in part, at any time on or after the vesting dates, but in no event later than December 31, 2030. Such option shall be exercised by written notice delivered to Employer specifying the number of shares in respect of which the option has been exercised, together with a cashier's check for the respective purchase price of the stock in respect of the options being exercised. Alternatively, the notice may direct that Employer withhold from the common stock to be issued to Employee upon such exercise, shares of common stock of CTFC issuable upon exercise of the option with an aggregate fair market value equal in value to the full exercise price as to which the option is being exercised (a "cashless exercise").

C. Adjustment. At any time, the remaining number of unexercised shares and related exercise price per share of the Employer's common stock subject to the options as described herein, are to be adjusted ratably to reflect changes to the Employer's total issued and outstanding common stock caused by Employer's actions subsequent to the date of this Agreement so that the resulting number of unexercised shares, calculated as a percentage of total common shares issued and outstanding, and the related value of the exercise price per share, are equivalent immediately following the change as they were immediately prior to the change. Such events include, yet are not limited to, stock dividends, stock splits, and issuances of additional classes of common stock other than for cash, pursuant to a merger or pursuant to exercise of other options.

14. **Notices**: Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and sent by certified mail as follows:

Notice to Employer: Origin Bancorp, Inc.
Formerly known as:
Community Trust Financial Corporation and CTB Financial Corporation
Attn: Board of Directors
1511 N. Trenton St.
Ruston, LA 71270

Notice to Employer: Drake Mills
PO Box 2525
Ruston, LA 71273

15. **Entire Agreement**: This Agreement as written and its terms, conditions and provisions shall represent and constitute the entirety of the employment agreement existing between the parties hereto and shall supersede any and all other agreements, writings, conversations or representations, if any, made by either party or their representatives, agents or employees at m1y time either prior to or subsequent to the execution of this Agreement.

16. **Waivers**: The waiver by any party hereto of a breach of any provision of this Agreement unless or until executed in writing by the parties hereto with the same formality attending execution of this Agreement, and signed by both the Employer and Employee.

17. **Amendment**: No amendment or modification of this Agreement shall be deemed effective unless or until executed in writing by the parties hereto with the same formality attending execution of this Agreement, and signed by both Employer and Employee.

18. **Designated Beneficiary**: In the event of the Employee's death or determination of total and permanent disability as provided for in Section 9(B) and Section 9(C) whereupon the Employee could not legally act on his/her own behalf, the Employee's designated beneficiary(s) shall be entitled to receive any and all amounts or other benefits specified in this Agreement, including any extensions thereto as documented in an addendum, as would the Employee had he been alive or of full capacity and make elections under the terms of this Agreement in the same capacity as the Employee for a period of no more than ninety (90) calendar days following the Employee's date of death or disability determination. The Employee shall designate his beneficiary in writing to the Employer upon execution of this Agreement and may amend his designation at any time and from time to time through written notice to the Employer. Individuals designated as beneficiaries by the Employee must be of majority age at the date of designation.

19. **Assignment**: The performance of all the obligations under this Agreement are personal and non-inheritable obligations of the Employee and shall not be assignable to others.

20. **Governing Law**: This Agreement having been executed and delivered in the State of Louisiana will have its validity, interpretation, performance and enforcement governed by the laws of said state

Thus done and signed at Ruston, Louisiana, on this 11th day of December, 2015.

Employer:	Employee:
/s/ John M. Buske	/s/ Drake Mills
Origin Bancorp, Inc. By: John M. Buske, Chairman of the Compensation Committee on behalf of the Board of Directors of Employer	Drake Mills

EMPLOYMENT AGREEMENT

BETWEEN

COMMUNITY TRUST BANK

&

LANCE HALL

Employment Agreement

This Employment Agreement (hereinafter referred to as “Agreement”) is made and entered into effective as of the October 1, 2008, by and between:

Community Trust Bank, a bank chartered under the laws of the State of Louisiana and domiciled in Lincoln Parish, Louisiana, and/or its Substantial Subsidiaries, jointly or individually, appearing herein through Drake Mills, its CEO and President, hereinafter called “Employer,”

And

M. Lance Hall, an adult resident and domiciliary of Lincoln, Parish, Louisiana, whose mailing address is 2508 Hillside Drive, Ruston, LA 71270 , hereinafter referred to as “Employee.”

1. **Definitions:**

A. Substantial Subsidiaries - Banking or non-banking subsidiaries of Community Trust Bank as of the date of this Agreement, or any measurement or assessment date thereafter, that comprise 25% or more of the total assets of Community Trust Bank, accounted for as a consolidated entity

B. Investor -An individual, partnership, corporation or other legal entity that owns voting stock in Community Trust Bank and/or any of its Substantial Subsidiaries, exclusive of Community Trust Bank, as the parent.

C. Investor Group - A group of Investors, acting under a formal or informal agreement or arrangement and/or under a common objective, common purpose or to the joint mutual benefit that is distinguishable from all Investors, as a group.

D. Base Salary - The amount of compensation paid to, or on behalf of, the Employee by the Employer exclusive of:: cash or non-cash bonuses, deferred compensation arrangements, contributions to employment benefit plans, life insurance premiums, membership dues, reimbursement of travel and business related expenses, and any other non-compensation related payments to the Employee by the Employer.

2. **Employment and Duties:** Employer hereby employs Employee in the capacity as Executive Vice President, North Central Louisiana Market President and to perform such other duties consistent with Employee's executive status all as may be determined and assigned to Employee by Employer. This Agreement supersedes any and all "at will" employment provisions of the Employer with respect to the Employee and shall serve as the complete and comprehensive basis of the employment relationship between the Employer and Employee.

3. **Performance:** Employee shall devote his full time (except for reasonable vacation time and absence due to sickness or similar disability) attention and best efforts to the duties set forth in Section 2 above and shall generally perform his duties the same level of competency and intensity as Employer has come to expect based either upon his past performance or that of a person in a similar position with similar duties and responsibilities.

4. **Term**: The term of the Agreement is for a period of five years and is renewable upon the mutual agreement of both the Employer/Employee at the conclusion of the initial contract period.

5. **Compensation**: For all services to be rendered by Employee in any capacity hereunder Employer agrees to pay Employee a base salary (Base Salary") to be established annually by Employer at a rate not less than $6,250 in equal semi-monthly installments which is equivalent to $150,000 per year.

In addition to the Base Salary to be paid to Employee hereunder, Employer agrees to pay Employee an annual bonus ("Bonus") in such amount and based upon such formulae and criteria as may be determined by the Employer from time to time.

6. **Insurance**: Employer shall provide Employee with medical and hospitalization insurance, disability income insurance and group life insurance upon such terms and conditions as may be determined by the Employer from time to time and through such programs as is provided to other employees of Employer.

Employee agrees that Employer, in its discretion, may apply for and procure in its own name and for its own benefit, life insurance in any amount or amounts considered advisable; and that Employee shall have no right, title or interest therein (except as otherwise provided), and further, agrees to submit to any medical or other examination and to execute and deliver any application or other instrument in writing, reasonably necessary to effectuate such insurance.

7. **Pension and Profit Sharing:** Employer shall include Employee in all Employer sponsored 401K Plans and other pension and profit-sharing plans in a comparable manner as provided for Employer's other executive officers.

8. **Miscellaneous Benefits**: Employer agrees to provide Employee with the following additional benefits at Employer's sole expense:

A. Professional dues and program costs for all professional organization memberships and continuing education programs deemed reasonably necessary by Employee to maintain his professional standing as EVP, North Central Louisiana Market President of Employer;

B. PTO benefits as are granted pursuant to Employer's policy;

C. All expenses, including meals, lodging, transportation and miscellaneous for business and related travel. Employer agrees to reimburse Employee for said travel expenses upon written request;

D. Disability benefits, to include payment to Employee of the periodic Base Salary installments as stated above, commencing on the date the Employee is unable to perform his duties as EVP, North Central Louisiana Market President and continuing until disability benefits are provided to the Employee from the disability insurance provider.

E. Monthly membership dues at Squire Creek Country Club

F. Provide auto -gas, servicing and insurance provided by bank.

9. **Termination**: Notwithstanding anything contained in this Agreement to the contrary, and subject to the provisions of Section 16, and unless otherwise agreed to in writing by Employer and Employee, this Agreement shall terminate upon the occurrence of any of the following events:

A. At any time by mutual agreement in writing between Employer and Employee;

B. Immediately upon the death of the Employee;

C. Immediately upon the Employee becoming permanently and totally disabled, which shall result in the permanent inability to satisfactorily perform the Employee's regular duties as performed prior to such disability, which disability shall be determined by a panel of three (3) physicians by a majority vote, which panel shall be comprised of one physician selected by Employer, one physician selected by Employee, and third physician selected by the two panel members selected by the Employer and Employee. The majority vote of the three member panel shall be sufficient to determine whether Employee is permanently and totally disabled from performing his regular duties, imposed upon him by this Agreement;

D. For “cause” which, for purposes of this Agreement , shall mean:

(i) Immediately upon a finding by Employer and supported by a physician's review that the Employee is addicted to intoxicating drugs (including alcohol), which materially and adversely affects his ability to perform his duties outlined herein;

(ii) A conviction, guilty plea or no contest plea to a felony offense and entered before a criminal court of competent jurisdiction involving Employee's dishonesty or moral turpitude;

(iii) Willful, substantiated and material disloyalty of Employee to Employer that caused or is likely to cause demonstrable injury or damages to Employer;

(iv) Failure of Employee to perform the duties and obligations as set forth in this Agreement, after Employee is provided notice of such failure(s) and a reasonable opportunity (not to exceed 90 days) to cure them.

Employee shall be provided a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment under the provisions so indicated, (iii) the termination date.

10. **Compensation upon Termination of Employment:**

A. Upon termination of this Agreement in accordance with Section 9 above, Employee shall be entitled to receive such Base Salary and other benefits as may be provided in this Agreement and as are accrued and unpaid as of Employee’s last day of employment. Such benefits shall include (except in the event of a termination pursuant to Section 9 D), Employee’s bonus equal to the bonus paid the Employee for the year immediately preceding the year during which termination occurs prorated based upon the number of days Employee was employed during such year.

B. Notwithstanding any of the foregoing, in the event there is a change of control of the Employer, Employee will be entitled to additional benefits. Change of control shall be defined as follows:

i. An event that occurs subsequent to the date of this Agreement, and

ii. Whereby an Investor and/or Investor Group acquires or accumulates, through equity dividends, grants, stock options, purchases, inheritances or otherwise, inclusive of options to acquire stock in the future and that said options are deemed irrevocable or enforceable, fifty percent (50%) or more of the value or voting power of the Employer's then issued and outstanding capital stock of Community Trust Bank and/or any of its Substantial Subsidiaries; or

iii. Community Trust Bank completes a merger or consolidation with another corporation, other than a merger or consolidation which would result in the voting securities of Community Trust Bank outstanding immediately prior thereto continuing to represent (either by remaining securities outstanding or by being converted into voting securities of the surviving entity) more than fifty-one percent (51 %) of the combined voting power of the voting securities of the Community Trust Bank, as applicable, or such surviving entity outstanding immediately after such merger.

C. In the event that Employer undergoes a change of control, as outlined hereinabove, in addition to all other compensation accrued through the date of termination of this Agreement, the Employer is required to notify the Employee in writing within ten (10) business days following the change in

control and the Employee shall be entitled as full and final consideration of Employer's obligation hereunder

i. To receive a payment within 30 days following the change of control in an amount equal to twenty-four (24) months Employee's then current Base Salary;

ii. To receive a payment within 30 days following the change of control in an amount equal to two times the average of the Bonus paid to Employee during the three (3) calendar years immediately preceding the termination of this Agreement;

iii. To exercise any or all of Employee's outstanding and unexercised stock options (whether vested or not) to purchase shares of Employer, which as of the date of this Agreement shall equal Twenty-Five Thousand (25,000) such options at the price and upon such other terms and conditions as are set forth in Section 11.

D. If the Employee and Employer agree, the employment relationship between the Employer and Employee may continue beyond the change in control date to a mutually agreed upon future date. Should such a mutual arrangement occur, the resulting terms and conditions of the future employment relationship shall be committed to writing and added as an addendum to this Agreement. With the exception of the specific provisions of this Agreement that are superseded by said addendum, all provisions of this Agreement will remain in force until the conclusion of the employment relationship between the Employer and Employee. Should this Agreement be extended beyond the change in control date, all payments of cash and vesting of stock will occur within ten business days following tl1e change in control date within the provisions of Section 10(E). Post employment insurance provisions will automatically be deferred to become effective upon the final date of termination of employment.

E. Employer shall, upon termination of this Agreement, transfer to Employee any and all life insurance policies which Employer may have acquired, insuring the life of Employee, together with any and all cash values, if any. Change of ownership shall include the right of Employee to change the beneficiary to whichever beneficiary Employee designates.

Notwithstanding the specific provisions as stated herein, all amounts to be paid to Employee pursuant to this Section 10 shall be paid, transferred or provided to the Employee by the Employer no later than sixty (60) days following the Employee’s termination of this Agreement.

11. **Option to Purchase Stock:** Conditional upon this Agreement being in full force and effect and Employee not being in default hereunder, Employee shall, effective on or before November 10, 2008, be granted the option to purchase up to fifteen thousand (15,000) shares of common stock of Employer for a price equal to the lower of Twenty Four Dollars and 57 cents ($24.57) dollars per share or such other lower price per share as occurs in any sale(s) of additional shares of common stock by Employer over the next six (6) months. Vesting period shall be effective on date of hire and options shall be fully vested over a five (5) year term at 20% (3000 shares) per year. In the event the agreement is terminated for any reason as provided, or if this agreement expires, the employee will immediately thereupon cease to be granted additional options as provided for herein. However, the employee will remain totally vested in those unexercised options to which he was vested as of the date of this agreement termination and/or expiration. Notwithstanding the above, under no circumstances will any option, as granted by the agreement be exercisable later then December 31, 2016. The total number of shares which Employee may acquire pursuant to this Section shall not exceed fifteen thousand (15,000) shares. The options herein granted to Employee are personal to Employee and, except as provided for under Section 16, shall not be encumbered, assigned, transferred or otherwise disposed of. Such options shall be exercised by written notice delivered to Employer together with a cashier's check for the respective purchase prices of stock in respect of the options being exercised. No option granted hereunder constitutes an offer to purchase until Employee is provided with, or given reasonable access to full and fair disclosure of all material information relating to the business and affairs of Employer and the purchase of stock. At any time, the remaining number of unexercised shares and related exercise price per share of the Employers common stock available for purchase as described in this

Section, are to be adjusted ratably to reflect changes to the Employer's total issued and outstanding common stock caused by the Employer's actions subsequent to the date of this Agreement so that the resulting number of unexercised shares, calculated as a percentage of total common shares issued and outstanding, or the related value of the exercise price per share, are equivalent in value immediately following the change as they were immediately prior to the change. Such events include, yet are not limited to, stock dividends, stock splits, and issuances of additional classes of common stock.

12. **Notices**: Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and sent by certified mail as follows:

Notice to Employer: Community Trust Bank
Attn: Drake Mills
1511 N. Trenton St.
Ruston, LA 71270

Notice to Employee: M. Lance Hall
508 Hillside Drive
Ruston, LA 71270

13. **Entire Agreement**: This Agreement as written and its terms, conditions and provisions shall represent and constitute the entirety of the employment agreement existing between the parties hereto and shall supersede any and all other agreements, writings, conversations or representations, if any, made by either party or their representatives, agents or employees at any time either prior to or subsequent to the execution of this Agreement. This Agreement, and any written amendments hereto, shall apply to and be binding upon the Employer and Employee, together with their agents, successors, assigns and inheritors, as the case may be.

14. **Waivers**: The waiver by any party hereto of a breach of any provision of this Agreement unless or until executed in writing by the parties hereto with the same formality attending execution of this Agreement, and signed by both the Employer and Employee.

15. **Amendment**: No amendment or modification of this Agreement shall be deemed effective unless or until executed in writing by the parties hereto with the same formality attending execution of this Agreement, and signed by both Employer and Employee.

16. **Designated Beneficiary**: In the event of the Employee’s death or determination of total and permanent disability as provided for in Section 9(B) and Section 9(C) whereupon the Employee could not legally act on his/her own behalf, the Employee’s designated beneficiary(s) shall be entitled to receive any and all amounts or other benefits specified in this Agreement, including any extensions thereto as documented in an addendum, as would the Employee had he been alive or of full capacity and make elections under the terms of this Agreement in the same capacity as the Employee for a period of no more than ninety (90) calendar days following the Employee’s date of death or disability determination. The Employee shall designate his beneficiary in writing to the Employer upon execution of this Agreement and may amend his designation at any time and from time to time through written notice to the Employer. Individuals designated as beneficiaries by the Employee must be of majority age at the date of designation.

17. **Assignment**: The performance of all the obligations under this Agreement are personal and non-inheritable obligations of the Employee and shall not be assignable to others.

18. **Governing Law**: This Agreement having been executed and delivered in the State of Louisiana will have its validity, interpretation, performance and enforcement governed by the laws of said state

Thus done and signed at Ruston, Louisiana, on this 10th day of October, 2008.

Employer:

/s/ Drake Mills

Community Trust Bank
By Drake Mills

President & CEO

Employee:

/s/ M. Lance Hall

M. Lance Hall

Exhibit 10.7

AMENDMENT TO

EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement is made and entered into this the 22 day of July, 2014, by and between **COMMUNITY TRUST FINANCIAL CORPORATION**, a bank holding company chartered under the laws of the State of Louisiana ("Employer") and Martin Lance Hall, an adult resident and domiciliary of Ruston, LA ("Employee").

WITNESSETH:

WHEREAS, Employer and Employee entered into that certain Employment Agreement effective the !st day of October, 2008 (the "Agreement"), a copy of which is attached hereto as Exhibit "A;" and

WHEREAS, the initial term of the Agreement was for a period of five (5) years, renewable upon the mutual agreement of both Employer and Employee; and

WHEREAS, Employer and Employee hereby acknowledge and confirm that, following the initial five (5) year term of the Agreement, the patties have by mutual consent renewed and continued in effect the Agreement and Employee's employment by Employer in accordance with the terms of the Agreement; and

WHEREAS, the parties desire to amend the Agreement to set forth and document their agreement as to the renewal thereof and to provide for the continued renewal of the Agreement.

NOW, THEREFORE, Employer and Employee agree that the Agreement is hereby amended as follows:

I.

Employer and Employee hereby acknowledge and confirm that, following the initial five (5) year term of the Agreement, the Agreement has been renewed by mutual agreement of the parties mid the Agreement continues in effect in accordance with its provisions.

II.

Section 4 "Term" of the Agreement is hereby amended by the deletion of that section in its entirety mid the substitution of the following:

Term: The initial term of the Agreement is for the period of five (5) years commencing on the effective date of this Agreement. Thereafter the Agreement shall automatically renew for successive one-year terms unless either party shall notify the other of its or his intent not to renew the agreement at least thirty (30) days prior to the end of the then-current term.

III.

Employer and Employee acknowledge and agree that as of the date hereof Employee has become one hundred percent (100%) vested in the option granted pursuant to Section 11 of the Agreement for the purchase of fifteen thousand (15,000) shares of common stock of the Employer.

IV.

All other provisions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Employer and the Employee have executed this Agreement as of the date first noted above.

Employer:

/s/ Drake Mills
Community Trust Financial Corporation

By Drake Mills, President & CEO

Employee:

/s/ M. Lance Hall
Signature

Lance Hall
Print Name

Exhibit 10.8

2018 AMENDMENT TO
EMPLOYMENT AGREEMENT

THIS 2018 AMENDMENT (this "Amendment"), made and entered into this 15 day of March, 2018, by and between Origin Bank (formerly Community Trust Bank), a bank organized and existing under the laws of the State of Louisiana (hereinafter referred to as the "Bank"), and M. Lance Hall, an Employee of the Bank, an adult resident and domiciliary of Ruston, LA. ("Employee").

WITNESSETH:

WHEREAS, Bank and Employee previously entered into that certain Employment Agreement effective the first day of October, 2008 (as amended, the "Agreement"), and

WHEREAS, the parties desire to amend the Agreement as set forth below.

NOW, THEREFORE, Employer and Employee agree that the Agreement is hereby amended as follows:

Section 10.E. of the Agreement is hereby amended by the deletion of the first paragraph of that section, such that it shall read in its entirety as follows:

E. Notwithstanding the specific provisions as stated herein, all amounts to be paid to Employee pursuant to this Section 10 shall be paid, transferred or provided to the Employee by the Employer no later thm1 sixty (60) days following the Employee's termination of employment.

This Amendment shall be effective the 1st day of January 2018. To the extent that any term, provision, or paragraph of the Agreement is not specifically amended herein, or in any other amendment thereto, said term, provision, or paragraph shall remain in full force and effect as set forth in said Agreement.

IN WITNESS WHEREOF, the parties hereto acknowledge that each has carefully read this Amendment and executed the original thereof on the first day set forth hereinabove, and that, upon execution, each has received a conforming copy.

Origin Bank	M. Lance Hall
By: s/ Linda W. Tuten (Bank Officer other than Employee)	/s/ M. Lance Hall
Title: EVP/Chief People & Diversity Officer	

CHANGE IN CONTROL AGREEMENT

THIS AGREEMENT is made as of the 5th day of April, 2017, by and among **ORIGIN BANK**, a banking institution organized under the laws of the state of Louisiana (the "Bank"); its corporate parent, **ORIGIN BANCORP, INC.**, a corporation organized and existing under the laws of the State of Louisiana ("ORIGIN"); and F. Ronnie Myrick ("Executive").

W I T N E S S E T H:

WHEREAS, Executive is employed by the Bank or ORIGIN as Chairman/Chief Administrative Officer and Senior Executive Vice President;

WHEREAS, the Bank and ORIGIN desire to attract and retain well-qualified executives and key personnel and to incentivize such personnel to remain in the employ of the Bank; and

WHEREAS, the Bank and ORIGIN recognize that Executive is a valuable resource and desire to assure Executive's employment, continued loyalty and services and, in the event Executive is terminated or Executive's position with the Bank or ORIGIN is adversely changed as a result of a Change in Control (as hereinafter defined) of the Bank or ORIGIN, to assure Executive of adequate severance.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Employment**.

In order for Executive to be eligible for payment of the benefits under Section 4 of this Agreement, Executive must be employed by the Bank or ORIGIN on the Effective Date of a Change in Control (as defined herein) of the Bank or ORI GIN in the same position, or in a position having comparable duties and authority, as on the date of the execution of this Agreement and Executive's employment must thereafter terminate as provided in such Section 4. If Executive's employment with the Bank or ORIGIN is terminated (either directly or constructively) or Executive is transferred to a position that does not have comparable duties or authority or is required to move to a different office more than 30 miles away or requires an average commute of more than 45 minutes one way during the period commencing on the earlier of the date of commencement of negotiations leading to a Change in Control or six months prior to the Effective Date of the Change in Control, and if it is reasonably demonstrated by Executive that such termination of employment or transfer of position (i) was at the request of a third party who has taken steps reasonably calculated to effect a Change in Control or (ii) otherwise arose in connection with or in anticipation of a Change in Control, then for all purposes of this Agreement, Executive shall be deemed to be employed on the Effective Date of such Change in Control in the same or a comparable position.

2. Effective Date and Term.

This Agreement shall be effective and binding as of the date of its execution for an initial three (3) year period. Thereafter, this Agreement will automatically renew on the anniversary date of the Agreement for successive one-year terms unless not later than ninety (90) days preceding the upcoming renewal date, either party shall notify the other, in writing, of the termination of this Agreement at the end of the current term. Notwithstanding the preceding, this Agreement shall earlier terminate, automatically, upon Executive's Termination of Service (as defined in Section 7(e) below) prior to the end of the Term of this Agreement or any renewal thereof. In such event, all obligations of the parties under this Agreement shall terminate except as otherwise specifically provided herein.

3. Change in Control.

For purposes of this Agreement, a "Change in Control" shall be defined as the occurrence, through sale, exchange, merger, redemption or otherwise, of:

(i) The acquisition by any one person, or by more than one person acting as a group, of ownership of stock that, together with stock held by such person or group, constitutes more than fifty percent (50%) of the total fair market value or total voting power of the stock of the Bank or ORIGIN;

(ii) The acquisition by any one person, or by more than one person acting as a group, during the twelve-month period ending on the date of the most recent acquisition, of ownership of stock possessing fifty percent (50%) or more of the total voting power of the stock of the Bank or ORIGIN;

(iii) The replacement during any twelve-month period of a majority of the members of the Board of the Bank or ORIGIN by directors whose appointment or election is not endorsed by a majority of the members of such Board before the date of such appointment or election; or

(iv) The acquisition by any one person, or more than one person acting as a group, during the twelve-month period ending on the date of the most recent acquisition, of assets of the Bank or ORIGIN having a total gross fair market value of more than fifty percent (50%) of the total gross fair market value of all of the assets of the Bank or ORIGIN immediately prior to such acquisition or acquisitions.

For purposes of the above, "persons acting as a group" shall have the meaning as in Treasury Regulations Section l.409A-3(i)(5)(v)(B).

It is intended that the definition of Change in Control contained herein shall be the same as a change of ownership of a corporation, a change in the effective control of a corporation and/or a change in the ownership of a substantial portion of a corporation's assets as reflected in Treasury Regulations Section l.409A-3(i)(5), as modified by the substitution of the higher percentage requirement in items (ii) and (iv) above; and all questions or determinations in connection with any such Change in Control shall be construed and interpreted in accordance with the provisions of such Regulations. This definition of Change in Control shall be applicable only for purposes of determining Executive's rights under this Agreement which become applicable in the event of such a Change in Control and for no other purpose.

4. Severance Benefit.

(a) In the event Executive's service with the Bank and/or ORIGIN is involuntarily terminated for any reason other than Cause (as defined in Section 7(a)) or if Executive resigns Executive's position for Good Reason (as defined in Section 7(d)) within the two-year period beginning on the Effective Date of a Change in Control of the Bank and/or ORIGIN, the Bank and/or ORIGIN will pay to Executive and Executive will receive a severance benefit equal to two (2) times Executive's then-current annual base salary and in addition to receive a payment equal to two (2) time the average of the incentive bonus paid within the three (3) calendar years (or such fewer years as Executive has been employed by the Employer) immediately preceding the date of the Executive's termination. Notwithstanding the preceding, no such benefit shall become payable to Executive and neither the Bank or ORIGIN shall have any obligation for the payment of such benefit to Executive if in connection with such termination or resignation Executive remains employed, or is simultaneously reemployed, by ORIGIN or any affiliate thereof in a position having comparable duties, authority and compensation as Executive's position with the Bank or ORIGIN immediately preceding such Change in Control.

(b) The severance benefit to which Executive shall become entitled under Subsection (a) above, if any, shall be paid in a single lump-sum payment. Such lump sum payment shall be made within the thirty (30) day period beginning on the later of Executive's Termination of Service or the Effective Date of the Change in Control. In no event shall any payment be made under this Section 4 until Executive incurs a Termination of Service.

(c) Notwithstanding the preceding and to the extent required by Section 409A of the Code, if any amount constituting non-exempt deferred compensation under Section 409A of the Code is or becomes payable to Executive at a time in which Executive is a "specified employee" as defined in Section 409A(a)(2)(B)(i) of the Code and Treasury Regulation § l.409A-1 (i), solely as a result of Executive's Termination of Service, payment of such amount shall be delayed until the first business day after the six-month anniversary of the date of such Termination of

Service. Whether or not Executive is a specified employee and whether or not the payment is required to be delayed for such six month period shall be determined in accordance with the provisions of Treasury Regulation § l.409A-l (i).

(d) Notwithstanding anything in this Section 4 to the contrary, the parties hereto acknowledge and agree that upon their mutual consent, they may modify or amend the provisions hereof or terminate this Agreement at any time before or after the Effective Date of a Change in Control and that, in the event of a termination, the provisions hereof shall thereafter have no further force or effect. No such modification, amendment or termination, however, shall be made which shall have the effect of causing any provision hereof or any payment hereunder to violate or result in immediate taxation to Executive under Section 409A of the Code and any such attempted modification, amendment or termination shall be void and of no effect.

(e) In the event Employee undertakes legal action to enforce rights under this Section 4 and prevails in any such court action, Employer shall pay to Employee all costs and expenses, including, but not limited to, attorney's fees and court costs incurred by Employee in connection with the enforcement of Employee's rights under this Section 4.

5. Confidential and Proprietary Information.

Executive acknowledges and agrees that any and all non public information regarding the Bank, ORIGIN and customers thereof is confidential and the unauthorized disclosure of such information will result in irreparable harm to the Bank and/or ORIGIN. Executive shall not, during Executive's employment by the Bank, ORIGIN or any affiliate thereof and until such time as such confidential information becomes generally available to the public through no fault of Executive or other person under a duty of confidentiality to the Bank, ORIGIN or any affiliate thereof, disclose or permit the disclosure of any such confidential information to any person other than an employee of the Bank, ORIGIN or an affiliate thereof, or to an individual engaged by the Bank, ORIGIN or an affiliate thereof to render professional services thereto under circumstances that require such person to maintain the confidentiality of such information, except as such disclosure may be required by law. The provisions of this Section 5 shall survive any termination of this Agreement. For purposes of this Section 5, the term "confidential information" shall not include information that (i) was or becomes generally available to the public other than as a result of disclosure by Executive, (ii) was or becomes available to Executive on a non-confidential basis from a source other than the Bank or ORIGIN.

6. Non-solicitation.

Executive agrees that during Executive's employment by the Bank or a successor following a Change in Control and for a period of two (2) years thereafter (the "Restrictive Period"), Executive will not:

(i) Divert or attempt to divert from the Bank, ORIGIN or any affiliate thereof (or any successor) any business by influencing or attempting to influence or soliciting or attempting to solicit any customers of the Bank, ORIGIN or any affiliate (or any successor) or any particular customer with whom the Bank, ORIGIN or any affiliates thereof (or any successor) had business contacts in the one-year period immediately preceding Executive's termination or with whom Executive may have dealt at any time during Executive's employment by the Bank, ORIGIN or an affiliate thereof (or any successor). The provisions of this Subsection (i) shall apply in the parishes and counties listed in the Exhibit "A" attached hereto and made a part hereof, as the same may be amended from time to time. The parties agree that Exhibit A may be amended from time to time by the Bank, which amendments shall be presented to Executive in writing and shall be deemed accepted by Executive if Executive remains employed by Bank on the third (3'd) business day following receipt of any such amendment.

(ii) Recruit, solicit, hire, attempt to hire, or assist any other person to hire any employee of the Bank, ORIGIN or any affiliates thereof (or any successor) or any person who was an employee of any of the foregoing in the six (6) months immediately preceding Executive's termination of employment, or solicit or encourage any employee of any of the foregoing to terminate employment.

(iii) Assist any person in any way to do, or attempt to do, anything prohibited by the foregoing.

The provisions of this Section 6 shall survive any termination of this Agreement.

7. Definitions.

For purposes of this Agreement, the following terms shall have the meanings given them in this Section 7.

(a) "Cause" shall mean

(i) The willful continued failure by Executive to substantially perform Executive's duties after a demand for substantial performance is delivered to Executive that specifically identifies the manner in which the Bank and ORIGIN believe that Executive has not substantially performed Executive's duties, and Executive has failed to resume substantial performance of Executive's duties on a continuous basis within fourteen (14) days of receiving such demand;

(ii) The willful engaging by Executive in conduct which is demonstrably and materially injurious to the Bank, ORIGIN, and/or any affiliate thereof, monetarily or otherwise; or

(iii) Executive's conviction of a felony or conviction of a misdemeanor which materially impairs Executive's ability substantially to perform Executive's duties.

For purposes of this definition, no act, or failure to act, on Executive's part shall be deemed "willful" unless done, or omitted to be done, by Executive not in good faith and without reasonable belief that Executive's action or omission was in the best interest of the Bank, ORIGIN and/or any affiliate thereof.

(b) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(c) "Effective Date of a Change in Control" shall mean the date on which the event or events constituting a Change in Control is consummated.

(d) "Good Reason" shall mean any of the following occurring without Executive's consent:

(i) a material diminution in Executive's position, authority, duties or responsibilities from those which Executive held immediately prior to the Effective Date of the Change in Control;

(ii) a material diminution in the authority, duties, or responsibilities or Executive's supervisor after the effective date of the Change in Control;

(iii) requiring Executive to be based at any office which is a material change from the geographic location of the office at which Executive was employed immediately prior to the Change in Control; provided, however, that any such relocation request shall not be considered a material change if such relocation is within a twenty-mile radius of the office at which Executive was based immediately prior to the Effective Date of a Change in Control;

(iv) a material diminution in the budget over which Executive retains authority;

(v) a material diminution in Executive's annual base salary; or

(vi) any other action or inaction that constitutes a material breach by the Bank or ORIGIN of any agreement, including this Agreement, pursuant to which Executive performs services for the Bank or ORIGIN.

Notwithstanding the preceding, however, none of such actions shall constitute "Good Reason" unless (1) Executive provided the Bank and/or ORIGIN notice of the existence of such condition within ninety (90) days of the initial existence thereof specifically identifying the acts or omissions constituting the grounds for Good Reason and a

period of at least thirty (30) days following such notice within which to remedy such condition and (2) Executive's termination occurs within the eighteen (18) month period following the initial existence of such condition.

(e) "Termination of Service" means the termination of Executive's employment with the Bank, ORIGIN and all affiliates thereof for any reason, and which termination of service constitutes a "separation from service" determined in accordance with the provisions of Section 409A of the Code and the Treasury Regulations thereunder.

8. Regulatory Restrictions.

The parties recognize that the enforceability of compensation agreements with banks are subject to some uncertainty and that banks and their bank holding companies are subject to regulatory restrictions that change from time to time. As a result, Executive may be prevented from obtaining or enforcing any or all of Executive's rights hereunder. If the payment required to be made hereunder cannot be made because of such regulatory restrictions or other prohibitions of law, lawful regulations or binding order of a court, tribunal, or regulatory agency, then, (i) if and to the extent the prohibitions are applicable to the Bank, and not ORIGIN, ORIGIN shall make the required payments; (ii) if and to the extent the prohibitions are applicable to ORIGIN and not the Bank, the Bank shall make the required payments; and (iii) if the prohibitions apply to both ORIGIN and the Bank, the maximum amount possible of required payments not prohibited shall be made by the Bank and/or ORIGIN. Nothing herein shall require the Bank or ORIGIN to perform any obligation hereunder if such performance is prohibited or limited by applicable law or regulation, as determined in a proceeding or adjudication by a court, tribunal, or regulatory agency having authority to so determine, which determination is final and subject to no further appeals. The parties further acknowledge and agree that it is the intent of this Agreement that it be enforced to the fullest degree permitted by law and regulation.

9. Notices.

All notices and other communications provided for by this Agreement shall be in writing and shall be deemed to have been duly given when delivered in person or mailed by United States Certified Mail, return receipt requested, postage prepaid, addressed as follows:

If to Executive:

F. Ronnie Myrick
2301 Maison Orleans Blvd.
Monroe, LA 71201

If to Bank:

Origin Bank
500 South Service Road East
Ruston, LA 71270
Attn: Linda Tuten

If to ORIGIN BANCORP:

Origin Bancorp, Inc
P.O. Box 1325
Ruston, LA 71273
Attention: Drake Mills

or to such other addresses any party may have furnished to the other in writing in accordance with this Agreement.

10. 409A Compliance.

Notwithstanding any other prov1s1on in this Agreement, the Bank, ORIGIN and Executive intend for this Agreement to comply in all respects with the provisions of Section 409A of the Code and Treasury Regulations and other guidance issued thereunder. Each provision and term of this Agreement should be interpreted accordingly. If any provision or term of this Agreement would be prohibited by or be inconsistent with Section 409A of the Code, then such provision shall be deemed to be conformed to comply with Section 409A of the Code or, if it is not possible to conform the provision to comply with Section 409A, such provision shall be null and void to the extent, and only to the extent, required for this Agreement to be in compliance with Section 409A of the Code without affecting the remainder of this Agreement.

11. Not a Contract of Employment.

The Bank, ORIGIN and Executive acknowledge and agree that Executive's employment by the Bank or ORIGIN is at will and that Executive may resign from employment with the Bank and/or ORIGIN at any time, whether before or after the occurrence of a Change in Control. Executive further acknowledges and agrees that Executive's employment is at the pleasure of the Board of Directors of the Bank and/or ORIGIN and that Executive may be removed at any time by such Board of Directors.

12. Governing Law.

The provisions of this Agreement shall be interpreted and construed in accordance with, and enforcement may be made under, the laws of the State of Louisiana.

13. Successors and Assigns.

(a) The Agreement is personal to Executive and, without the prior written consent of the Bank and ORIGIN, shall not be assignable by Executive. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representative.

(b) This Agreement shall be binding upon and inure to the benefit of the Bank, ORIGIN and the successors and assigns thereof.

14. Severability.

If any provision or portion of this Agreement shall be determined to be invalid or unenforceable for any reason, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by applicable law.

15. Entire Agreement; Amendment.

This Agreement sets forth the entire Agreement of the parties hereto and supersedes all prior agreements, understandings and covenants with respect to the subject matter hereof. This Agreement may be amended or terminated only by mutual agreement of the parties in writing.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

ORIGIN BANK

By: /s/ Drake Mills
Title: President & CEO

ORIGIN BANCORP, INC

By: /s/ Drake Mills
Title: Chairman, President & CEO

EXECUTIVE

By: /s/ F. Ronnie Myrick
Title: F. Ronnie Myrick

EXHIBIT A
PARISHES & COUNTIES SUBJECT TO NON-SOLICITATION COVENANT

Ouachita
Lincoln
Morehouse
Union

SMALL BUSINESS LENDING FUND – SECURITIES PURCHASE AGREEMENT

Community Trust Financial Corporation			173
Name of Company			*SBLF No.*
1511 North Trenton Street			Corporation
Street Address for Notices			*Organizational Form (e.g., corporation, national bank)*
Ruston	Louisiana	71270	Louisiana
City	*State*	*Zip Code*	*Jurisdiction of Organization*
James K. Kendrick			Federal Reserve
Name of Contact Person to Receive Notices			*Appropriate Federal Banking Agency*
(318) 254-7432	(318) 232-7488		July 6, 2011
Fax Number for Notices	*Phone Number for Notices*		*Effective Date*

THIS SECURITIES PURCHASE AGREEMENT (the "*Agreement*") is made as of the Effective Date set forth above (the "*Signing Date*") between the Secretary of the Treasury ("*Treasury*") and the Company named above (the "*Company*"), an entity existing under the laws of the Jurisdiction of Organization stated above in the Organizational Form stated above. The Company has elected to participate in Treasury's Small Business Lending Fund program ("*SBLF*"). This Agreement contains the terms and conditions on which the Company intends to issue preferred stock to Treasury, which Treasury will purchase using SBLF funds.

This Agreement consists of the following attached parts, all of which together constitute the entire agreement of Treasury and the Company (the "*Parties*") with respect to the subject matter hereof, superseding all prior written and oral agreements and understandings between the Parties with respect to such subject matter:

Annex A: Information Specific to the Company and the Investment
Annex B: Definitions
Annex C: General Terms and Conditions
Annex D: Disclosure Schedule
Annex E: Registration Rights
Annex F: Form of Certificate of Designation
Annex G: Form of Officer's Certificate
Annex H: Form of Supplemental Reports
Annex I: Form of Annual Certification
Annex J: Form of Opinion
Annex K: Form of Repayment Document

This Agreement may be executed in any number of counterparts, each being deemed to be an original instrument, and all of which will together constitute the same agreement. Executed signature pages to this Agreement may be delivered by facsimile or electronic mail attachment.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized representatives of the parties hereto as of the Effective Date.

THE SECRETARY OF THE TREASURY		COMMUNITY TRUST FINANCIAL CORPORATION	
By:	/s/ Don Graves	By:	/s/ Drake Mills
Name:	Don Graves	Name:	Drake Mills
Title:	Deputy Assistant Secretary	Title:	Chief Executive Officer

ANNEX A
INFORMATION SPECIFIC TO THE COMPANY AND THE INVESTMENT

Purchase Information

Terms of the Purchase:

Series of Preferred Stock Purchased:	Senior Non-Cumulative Perpetual Preferred Stock, Series SBLF
Per Share Liquidation Preference of Preferred Stock:	$1,000 per share
Number of Shares of Preferred Stock Purchased:	48260
Dividend Payment Dates on the Preferred Stock:	Payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year.
Purchase Price:	$48,260,000.00

Closing:

Location of Closing:	Fox, Hefter, Swibel, Levin & Carroll, LLP
Time of Closing:	200 West Madison, Suite 3000 Chicago, IL 60606 9:00 a.m. CDT
Date of Closing:	July 6, 2011

Redemption Information
(*Only complete if the Company was a CPP or CDCI participant; leave blank otherwise.*)

Prior Program:	x	CPP
	☐	CDCI
Series of Previously Acquired Preferred Stock:	Fixed Rate Cumulative Perpetual Preferred Stock, Series UST	
Number of Shares of Previously Acquired Preferred Stock:	25200	
Repayment Amount:	$25,385,300.00	
Residual Amount:	$0.00	

Matching Private Investment Information

Treasury investment is contingent on the Company raising Matching Private Investment (check one):	☐	Yes
	x	No

If Yes, complete the following (leave blank otherwise):

Aggregate Dollar Amount of Matching Private Investment Required:

Aggregate Dollar Amount of Matching Private Investment Received:

Class of securities representing Matching Private Investment:

Date of issuance of Matching Private Investment:

ANNEX B
DEFINITIONS

1. Definitions. Except as otherwise specified herein or as the context may otherwise require, the following terms have the respective meanings set forth below for all purposes of this Agreement.

"*Affiliate*" means, with respect to any person, any person directly or indirectly controlling, controlled by or under common control with, such other person. For purposes of this definition, "*control*" (including, with correlative meanings, the terms "*controlled by*" and "*under common control with*") when used with respect to any person, means the possession, directly or indirectly through one or more intermediaries, of the power to cause the direction of management and/or policies of such person, whether through the ownership of voting securities by contract or otherwise.

"*Application Date*" means the date of the Company's completed application to participate in SBLF.

"*Appropriate Federal Banking Agency*" means the "appropriate Federal banking agency" with respect to the Company or such Company Subsidiaries, as applicable, as defined in Section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. Section 1813(q)). The Appropriate Federal Banking Agency is identified on the cover page of this Agreement.

"*Appropriate State Banking Agency*" means, if the Company is a State-chartered bank, the Company's State bank supervisor (as defined in Section 3(r) of the Federal Deposit Insurance Act, 12 U.S.C. § 1813(q).

"*Bank Holding Company*" means a company registered as such with the Federal Reserve pursuant to 12 U.S.C. §1842 and the regulations of the Federal Reserve promulgated thereunder.

"*Call Report*" has the meaning assigned thereto in Section 4102(4) of the SBJA. If the Company is a Bank Holding Company or a Savings and Loan Holding Company, unless the context clearly indicates otherwise: (a) the term "Call Report" shall mean the Call Report(s) (as defined in Section 4102(4) of the SBJA) of the IDI Subsidiary(ies); and (b) if there are multiple IDI Subsidiaries, all references herein or in any document executed or delivered in connection herewith (including the Certificate of Designation, the Initial Supplemental Report and all Quarterly Supplemental Reports) to any data reported in a Call Report shall refer to the aggregate of such data across the Call Reports for all such IDI Subsidiaries.

"*CDCI*" means the Community Development Capital Initiative, as authorized under the Emergency Economic Stabilization Act of 2008.

"*Company Material Adverse Effect*" means a material adverse effect on (i) the business, results of operation or condition (financial or otherwise) of the Company and its consolidated subsidiaries taken as a whole; *provided*, *however*, that Company Material Adverse Effect shall not be deemed to include the effects of (A) changes after the Signing Date in general business, economic or market conditions (including changes generally in prevailing interest rates, credit availability and liquidity, currency exchange rates and price levels or trading volumes in the United States or foreign securities or credit markets), or any outbreak or escalation of hostilities, declared or undeclared acts of war or terrorism, in each case generally affecting the industries in which the Company and its subsidiaries operate, (B) changes or proposed changes after the Signing Date in GAAP, or authoritative interpretations thereof, or (C) changes or proposed changes after the Signing Date in securities, banking and other laws of general applicability or related policies or interpretations of Governmental Entities (in the case of each of these clauses (A), (B) and (C), other than changes or occurrences to the extent that such changes or occurrences have or would reasonably be expected to have a materially disproportionate adverse effect on the Company and its consolidated subsidiaries taken as a whole relative to comparable U.S. banking or financial services organizations); or (ii) the ability of the Company to consummate the Purchase and other transactions contemplated by this Agreement and perform its obligations hereunder and under the Certificate of Designation on a timely basis and declare and pay dividends on the Dividend Payment Dates set forth in the Certificate of Designations.

"*CPP*" means the Capital Purchase Program, as authorized under the Emergency Economic Stabilization Act of 2008.

"*Disclosure Schedule"* means that certain schedule to this Agreement delivered to Treasury on or prior to the Signing Date, setting forth, among other things, items the disclosure of which is necessary or appropriate in response to an express disclosure requirement contained in a provision hereof. The Disclosure Schedule is contained in Annex D of this Agreement.

"*Executive Officers*" means the Company's "executive officers" as defined in 12 C.F.R. § 215.2(e)(1) (regardless of whether or not such regulation is applicable to the Company).

"*Federal Reserve*" means the Board of Governors of the Federal Reserve System.

"*GAAP*" means generally accepted accounting principles in the United States.

"*General Terms and Conditions*" and "*General T&C*" each mean Annex C of this Agreement.

"*IDI Subsidiary*" means any Company Subsidiary that is an insured depository institution.

"*Junior Stock*" means Common Stock and any other class or series of stock of the Company the terms of which expressly provide that it ranks junior to the Preferred Shares as to dividend and redemption rights and/or as to rights on liquidation, dissolution or winding up of the Company.

"*knowledge of the Company*" or "*Company's knowledge*" means the actual knowledge after reasonable and due inquiry of the "*officers*" (as such term is defined in Rule 3b-2 under the Exchange Act) of the Company.

"*Matching Private Investment-Supported*," when used to describe the Company (if applicable), means the Company's eligibility for participation in the SBLF program is conditioned upon the Company or an Affiliate of the Company acceptable to Treasury receiving Matching Private Investment, as contemplated by Section 4103(d)(3)(B) of the SBJA.

"*Original Letter Agreement*" means, if applicable, the Letter Agreement (and all terms incorporated therein) pursuant to which Treasury purchased from the Company, and the Company issued to Treasury, the Previously Acquired Preferred Shares (or warrants exercised to acquire the Previously Acquired Preferred Shares or the securities exchanged for the Previously Acquired Preferred Stock).

"*Oversight Officials*" means, interchangeably and collectively as context requires, the Special Deputy Inspector General for SBLF Program Oversight, the Inspector General of the Department of the Treasury, and the Comptroller General of the United States.

"*Parity Stock*" means any class or series of stock of the Company the terms of which do not expressly provide that such class or series will rank senior or junior to the Preferred Shares as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Company (in each case without regard to whether dividends accrue cumulatively or non-cumulatively).

"*Preferred Shares*" means the number of shares of Preferred Stock identified in the "Purchase Information" section of Annex A opposite "Number of Shares of Preferred Stock Purchased."

"*Preferred Stock*" means the series of the Company's preferred stock identified in the "Purchase Information" section of Annex A opposite "Series of Preferred Stock Purchased."

"*Previously Acquired Preferred Shares*" means, if the Company participated in CPP or CDCI, the number of shares of Previously Acquired Preferred Stock identified in the "Redemption Information" section of Annex A opposite "Number of Shares of Previously Acquired Preferred Stock."

"*Previously Acquired Preferred Stock*" means, if the Company participated in CPP or CDCI, the series of the Company's preferred stock identified in the "Redemption Information" section of Annex A opposite "Series of Previously Acquired Preferred Stock."

"*Previously Disclosed*" means information set forth on the Disclosure Schedule or the Disclosure Update, as applicable; *provided*, *however*, that disclosure in any section of such Disclosure Schedule or Disclosure Update, as applicable, shall apply only to the indicated section of this Agreement; *provided*, *further*, that the existence of Previously Disclosed information, pursuant to a Disclosure Update, shall neither obligate Treasury to consummate the Purchase nor limit or affect any rights of or remedies available to Treasury.

"*Prior Program*" means (a) CPP, if the Company is a participant in CPP immediately prior to the Closing, or (b) CDCI, if the Company is a participant in CDCI immediately prior to the Closing.

"*Publicly-traded*" means a company that (i) has a class of securities that is traded on a national securities exchange and (ii) is required to file periodic reports with either the Securities and Exchange Commission or its primary federal bank regulator.

"*Purchase*" means the purchase of the Preferred Shares by Treasury from the Company pursuant to this Agreement.

"*Repayment*" means the repurchase set forth in the Repayment Document.

"*Repayment Amount*" means, if the Company participated in CPP or CDCI, the aggregate amount payable by the Company as of the Closing Date to redeem the Previously Acquired Preferred Stock in accordance with its terms, which amount is set forth in the "Redemption Information" section of Annex A.

"*Savings and Loan Holding Company*" means a company registered as such with the Office of Thrift Supervision or any successor thereto pursuant to 12 U.S.C. §1467(a) and the regulations of the Office of Thrift Supervision promulgated thereunder.

"*SBJA*" means the Small Business Jobs Act of 2010, as it may be amended from time to time.

"*Subsidiary*" means any corporation, partnership, joint venture, limited liability company or other entity (A) of which such person or a subsidiary of such person is a general partner or (B) of which a majority of the voting securities or other voting interests, or a majority of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or persons performing similar functions with respect to such entity, is directly or indirectly owned by such person and/or one or more subsidiaries thereof.

"*Tax*" or "*Taxes*" means any federal, state, local or foreign income, gross receipts, property, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or add-on minimum, *ad valorem*, transfer or excise tax, or any other tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest, penalty or addition imposed by any Governmental Entity.

"*Total Assets*" means, with respect to an insured depository institution, the total assets of such insured depository institution.

"*Total Risk-Weighted Assets*" means, with respect to an insured depository institution, the risk-weighted assets of such insured depository institution.

"*Warrant*" has the meaning set forth in the Repayment Document.

2. Index of Definitions. The following table, which is provided solely for convenience of reference and shall not affect the interpretation of this Agreement, identifies the location where capitalized terms are defined in this Agreement:

Term	Location of Definition
Affiliate	Annex B, §1
Agreement	Cover Page
Appropriate Federal Banking Agency	Annex B, §1
Appropriate State Banking Agency	Annex B, §1
Bank Holding Company	Annex B, §1
Bankruptcy Exceptions	General T&C, §2.5(a)
Board of Directors	General T&C, §2.6
Business Combination	General T&C, §5.8
Business day	General T&C, §5.12
Call Report	Annex B, §1
Capitalization Date	General T&C, §2.2
CDCI	Annex B, §1
Certificate of Designation	General T&C, §1.3(d)
Charter	General T&C, §1.3(d)
Closing	General T&C, §1.2(a)
Closing Date	General T&C, §1.2(a)
Closing Deadline	General T&C, §5.1(a)(i)
Code	General T&C, §2.14
Common Stock	General T&C, §2.2
Company	Cover Page
Company Financial Statements	General T&C, §1.3(i)
Company Material Adverse Effect	Annex B, §1
Company Reports	General T&C, §2.9
Company Subsidiary; Company Subsidiaries	General T&C, §2.5(b)
control; controlled by; under common control with	Annex B, §1
CPP	Annex B, §1
Disclosure Schedule	Annex B, §1
Disclosure Update	General T&C, §1.3(h)
ERISA	General T&C, §2.14
Exchange Act	General T&C, §4.3
Federal Reserve	Annex B, §1
GAAP	Annex B, §1
Governmental Entities	General T&C, §1.3(a)
Holders	General T&C, §4.4(a)
Indemnitee	General T&C, §4.4(b)
Information	General T&C, §3.1(c)(iii)
Initial Supplemental Report	General T&C, §1.3(j)

Treasury	Cover Page
Junior Stock	Annex B, §1
knowledge of the Company; Company's knowledge	Annex B, §1
Matching Private Investment	General T&C, §1.3(l)
Matching Private Investment-Supported	Annex B, § 1
Matching Private Investors	General T&C, §1.3(l)
officers	Annex B, §1
Parity Stock	Annex B, §1
Parties	Cover Page
Plan	General T&C, §2.14
Preferred Shares	Annex B, §1
Preferred Stock	Annex B, §1
Previously Acquired Preferred Shares	Annex B, §1
Previously Acquired Preferred Stock	Annex B, §1
Previously Disclosed	Annex B, §1
Prior Program	General T&C, §1.2(c)
Proprietary Rights	General T&C, §2.21
Purchase	Annex B, §1
Purchase Price	General T&C, §1.1(a)
Regulatory Agreement	General T&C, §2.19
Related Party	General T&C, §2.25
Repayment Document	General T&C, §1.2(b)(ii)(E)
Residual Amount	General T&C, §1.2(b)(ii)(B)
Savings and Loan Holding Company	Annex B, §1
SBJA	Annex B, §1
SBLF	Cover Page
SEC	General T&C, §2.11
Securities Act	General T&C, §2.1
Signing Date	Cover Page
subsidiary	Annex B, §1
Quarterly Supplemental Report	General T&C, §3.1(d)(i)
Tax; Taxes	Annex B, §1
Transfer	General T&C, §4.3

3. Defined Terms in Annex K. Except for defined terms in Annex K that are expressly cross-referenced in another part of this Agreement, terms defined in Annex K are defined therein solely for purposes of Annex K and are not applicable to other parts of this Agreement.

ANNEX C
GENERAL TERMS AND CONDITIONS

CONTENTS OF GENERAL TERMS AND CONDITIONS

ARTICLE I
PURCHASE; CLOSING

1.1 Purchase On the terms and subject to the conditions set forth in this Agreement, the Company agrees to sell to Treasury, and Treasury agrees to purchase from the Company, at the Closing, the Preferred Shares for the aggregate price set forth on Annex A (the "*Purchase Price*").

1.2 Closing (a) On the terms and subject to the conditions set forth in this Agreement, the closing of the Purchase (the "*Closing*") will take place at the location specified in Annex A, at the time and on the date set forth in Annex A or as soon as practicable thereafter, or at such other place, time and date as shall be agreed between the Company and Treasury. The time and date on which the Closing occurs is referred to in this Agreement as the "*Closing Date*".

(b) Subject to the fulfillment or waiver of the conditions to the Closing in Section 1.3, at the Closing:

(i) if Treasury holds Previously Acquired Preferred Shares:

(A) the Purchase Price shall first be applied to pay the Repayment Amount;

(B) if the Purchase Price is less than the Repayment Amount, the Company shall pay the positive difference (if any) between the Repayment Amount and the Purchase Price (a "*Residual Amount*") to Treasury's Office of Financial Stability by wire transfer of immediately available United States funds to an account designated in writing by Treasury; and

(C) upon receipt of the full Repayment Amount (by application of the Purchase Price and, if applicable, the Company's payment of the Residual Amount), Treasury and the Company will consummate the Repayment;

(D) the Company will deliver to Treasury a statement of adjustment as contemplated by Section 13(J) of the Warrant; and

(E) the Company and Treasury will execute and deliver a properly completed repurchase document in the form attached hereto as Annex K, (the "*Repayment Document*").

(ii) the Company will deliver the Preferred Shares as evidenced by one or more certificates dated the Closing Date and bearing appropriate legends as hereinafter provided for, in exchange for payment in full of the Purchase Price by application of the Purchase Price to the Repayment and by wire transfer of immediately available United States funds to a bank account designated by the Company in the Initial Supplemental Report, as applicable.

1.3 Closing Conditions. The obligation of Treasury to consummate the Purchase is subject to the fulfillment (or waiver by Treasury) at or prior to the Closing of each of the following conditions:

(a) (i) any approvals or authorizations of all United States federal, state, local, foreign and other governmental, regulatory or judicial authorities (collectively, "*Governmental Entities*") required for the consummation of the Purchase shall have been obtained or made in form and substance reasonably satisfactory to each party and shall be in full force and effect and all waiting periods required by United States and other applicable law, if any, shall have expired and (ii) no provision of any applicable United States or other law and no judgment, injunction, order or decree of any Governmental Entity shall prohibit the purchase and sale of the Preferred Shares as contemplated by this Agreement;

(b) (i) the representations and warranties of the Company set forth in (A) Sections 2.7 and 2.26 shall be true and correct in all respects as though made on and as of the Closing Date; (B) Sections 2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 2.19, 2.22, 2.23, 2.24 and 2.25 shall be true and correct in all material respects as though made on and as of the Closing Date (other than representations and warranties that by their terms speak as of another date, which representations and warranties shall be true and correct in all respects as of such other date); and (C) Sections 2.8 through 2.18 and Sections 2.20 through 2.21 (disregarding all qualifications or limitations set forth in such representations and warranties as to "materiality", "Company Material Adverse Effect" and words of similar import) shall be true and correct as though made on and as of the Closing Date (other than representations and warranties that by their terms speak as of another date, which representations and warranties shall be true and correct as of such other date), except to the extent that the failure of such representations and warranties referred to in this Section 1.3(b)(i)(C) to be so true and correct, individually or in the aggregate, does not have and would not reasonably be expected to have a Company Material Adverse Effect; and (ii) the Company shall have performed in all respects all obligations required to be performed by it under this Agreement at or prior to the Closing;

(c) the Company shall have delivered to Treasury a certificate signed on behalf of the Company by an Executive Officer certifying to the effect that the conditions set forth in Section 1.3(b) have been satisfied, in substantially the form of Annex G;

(d) the Company shall have duly adopted and filed with the Secretary of State of its jurisdiction of organization or other applicable Governmental Entity an amendment to its certificate or articles of incorporation, articles of association, or similar organizational document ("*Charter*") in substantially the form of Annex F (the "*Certificate of Designation*") and the Company shall have delivered to Treasury a copy of the filed Certificate of Designation with appropriate evidence from the Secretary of State or other applicable Governmental Entity that the filing has been accepted, or if a filed copy is unavailable, a certificate signed on behalf of the Company by an Executive Officer certifying to the effect that the filing of the Certificate of Designation has been accepted, in substantially the form attached hereto as Annex F;

(e) the Company shall have delivered to Treasury true, complete and correct certified copies of the Charter and bylaws of the Company;

(f) the Company shall have delivered to Treasury a written opinion from counsel to the Company (which may be internal counsel), addressed to Treasury and dated as of the Closing Date, in substantially the form of Annex J;

(g) the Company shall have delivered certificates in proper form or, with the prior consent of Treasury, evidence of shares in book-entry form, evidencing the Preferred Shares to Treasury or its designee(s);

(h) the Company shall have delivered to Treasury a copy of the Disclosure Schedule on or prior to the Signing Date and, to the extent that any information set forth on the Disclosure Schedule needs to be updated or supplemented to make it true, complete and correct as of the Closing Date, (i) the Company shall have delivered to Treasury an update to the Disclosure Schedule (the "*Disclosure Update*"), setting forth any information necessary to make the Disclosure Schedule true, correct and complete as of the Closing Date and (ii) Treasury, in its sole discretion, shall have approved the Disclosure Update, *provided*, *however*, that the delivery and acceptance of the Disclosure Update shall not limit or affect any rights of or remedies available to Treasury;

(i) the Company shall have delivered to Treasury on or prior to the Signing Date each of the consolidated financial statements of the Company and its consolidated subsidiaries for each of the last three completed fiscal years of the Company (which shall be audited to the extent audited financial statements are available prior to the Signing Date) (together with the Call Reports filed by the Company or the IDI Subsidiary(ies) for each completed quarterly period since the last completed fiscal year, the "*Company Financial Statements*");

(j) the Company shall have delivered to Treasury, not later than five (5) business days prior to the Closing Date, a certificate (the "*Initial Supplemental Report*") in substantially the form attached hereto as Annex H setting forth a complete and accurate statement of loans held by the Company (or if the Company is a Bank Holding Company or a Savings and Loan Holding Company, by the IDI Subsidiary(ies)) in each of the categories described therein, for the time periods specified therein, (A) including a signed certification of the Chief Executive Officer, the Chief Financial Officer and all directors or trustees of the Company or the IDI Subsidiary(ies) who attested to the Call Reports for the quarters covered by such certificate, that such certificate (x) has been prepared in conformance with the instructions issued by Treasury and (y) is true and correct to the best of their knowledge and belief; and (B) completed for the last full calendar quarter prior to the Closing Date and the four (4) quarters ended September 30, 2009, December 31, 2009, March 31, 2010 and June 30, 2010;

(k) prior to the Signing Date, the Company shall have delivered to Treasury, the Appropriate Federal Banking Agency and, if the Company is a State-chartered bank, the Appropriate State Banking Agency, a small business lending plan describing how the Company's business strategy and operating goals will allow it to address the needs of small businesses in the area it serves, as well as a plan to provide linguistically and culturally appropriate outreach, where appropriate; and

(l) if the Company is Matching Private Investment-Supported, on or after September 27, 2010 the Company or an Affiliate of the Company acceptable to Treasury shall (i) have received equity capital ("*Matching Private Investment*") from one or more non-governmental investors ("*Matching Private Investors*") (A) in an amount equal to or greater than the Aggregate Dollar Amount of Matching Private Investment Required set forth on Annex A (net of all dividends paid with respect to, and all repurchases and redemptions of, the Company's equity securities), (B)

that is subordinate in right of payment of dividends, liquidation preference and redemption rights to the Preferred Shares and (C) that is acceptable in form and substance to Treasury, in its sole discretion and (ii) have satisfied the following requirements reasonably in advance of the Closing Date: (A) delivery of copies of the definitive documentation for the Matching Private Investment to Treasury, (B) delivery of the organizational charts of such non-governmental investors to Treasury, each certified by the applicable non-governmental investor and demonstrating that such non-governmental investor is not an Affiliate of the Company, (C) delivery of any other documents or information as Treasury may reasonably request, in its sole discretion and (D) any other terms and conditions imposed by Treasury or the Appropriate Federal Banking Agency, in their sole discretion.

ARTICLE II
REPRESENTATIONS AND WARRANTIES

The Company represents and warrants to Treasury that as of the Signing Date and as of the Closing Date (or such other date specified herein):

2.1 Organization, Authority and Significant Subsidiaries The Company has been duly incorporated and is validly existing and in good standing under the laws of its jurisdiction of organization, with the necessary power and authority to own, operate and lease its properties and conduct its business as it is being currently conducted, and except as has not, individually or in the aggregate, had and would not reasonably be expected to have a Company Material Adverse Effect, has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification; each subsidiary of the Company that would be considered a "significant subsidiary" within the meaning of Rule 1-02(w) of Regulation S-X under the Securities Act of 1933 (the "*Securities Act*"), has been duly organized and is validly existing in good standing under the laws of its jurisdiction of organization. The Charter and bylaws of the Company, copies of which have been provided to Treasury prior to the Signing Date, are true, complete and correct copies of such documents as in full force and effect as of the Signing Date and as of the Closing Date.

2.2 Capitalization . The outstanding shares of capital stock of the Company have been duly authorized and are validly issued and outstanding, fully paid and nonassessable, and subject to no preemptive or similar rights (and were not issued in violation of any preemptive rights). As of the Signing Date, the Company does not have outstanding any securities or other obligations providing the holder the right to acquire its common stock ("*Common Stock*") or other capital stock that is not reserved for issuance as specified in Part 2.2 of the Disclosure Schedule, and the Company has not made any other commitment to authorize, issue or sell any Common Stock or other capital stock. Since the last day of the fiscal period covered by the last Call Report filed by the Company or the IDI Subsidiary(ies) prior to the Application Date (the "*Capitalization Date*"), the Company has not (a) declared, and has no present intention of declaring, any dividends on its Common Stock in a per-share amount greater than the per-share amount of declared dividends that are reflected in such Call Report; (b) declared, and has no present intention of declaring (except as contemplated by the Certificate of Designation) any dividends on any of its preferred stock in a per-share amount greater than the per-share amount of declared dividends that are reflected in such Call Report; or

(c) issued any shares of Common Stock or other capital stock, other than (i) shares issued upon the exercise of stock options or delivered under other equity-based awards or other convertible securities or warrants which were issued and outstanding on the Capitalization Date and disclosed in Part 2.2 of the Disclosure Schedule, (ii) shares disclosed in Part 2.2 of the Disclosure Schedule, and (iii) if the Company is Matching Private Investment-Supported, shares or other capital stock representing Matching Private Investment disclosed in the "Matching Private Investment" section of Annex A. Except as disclosed in Part 2.2 of the Disclosure Schedule, the Company has no agreements providing for the accelerated exercise, settlement or exchange of any capital stock of the Company for Common Stock. Each holder of 5% or more of any class of capital stock of the Company and such holder's primary address are set forth in Part 2.2 of the Disclosure Schedule. The Company has received a representation from each Matching Private Investor that such Matching Private Investor has not received or applied for any investment from the SBLF, and the Company has no reason to believe that any such representation is inaccurate. If the Company is a Bank Holding Company or a Savings and Loan Holding Company, (x) the percentage of each IDI Subsidiary's issued and outstanding capital stock that is owned by the Company is set forth on Part 2.2 of the Disclosure Schedule; and (y) all shares of issued and outstanding capital stock of the IDI Subsidiary(ies) owned by the Company are free and clear of all liens, security interests, charges or encumbrances. Since the Application Date, there has been no change in the organizational hierarchy information regarding the Company that was available on the Application Date from the National Information Center of the Federal Reserve System.

2.3 Preferred Shares. The Preferred Shares have been duly and validly authorized, and, when issued and delivered pursuant to this Agreement, such Preferred Shares will be duly and validly issued and fully paid and non-assessable, will not be issued in violation of any preemptive rights, and will rank *pari passu* with or senior to all other series or classes of Preferred Stock, whether or not designated, issued or outstanding, with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Company.

2.4 Compliance with Identity Verification Requirements. The Company and the Company Subsidiaries (to the extent such regulations are applicable to the Company Subsidiaries) are in compliance with the requirements of Section 103.121 of title 31, Code of Federal Regulations.

2.5 Authorization, Enforceability .

(a) The Company has the corporate power and authority to execute and deliver this Agreement and to carry out its obligations hereunder (which includes the issuance of the Preferred Shares). The execution, delivery and performance by the Company of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company and its stockholders, and no further approval or authorization is required on the part of the Company. This Agreement is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to any limitations of applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general equitable principles, regardless of whether such enforceability is considered in a proceeding at law or in equity ("*Bankruptcy Exceptions*").

(b) The execution, delivery and performance by the Company of this Agreement and the consummation of the transactions contemplated hereby and compliance by the Company with the provisions hereof, will not (i) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration of, or result in the creation of, any lien, security interest, charge or encumbrance upon any of the properties or assets of the Company or any subsidiary of the Company (each subsidiary, a "*Company Subsidiary*" and, collectively, the "*Company Subsidiaries*") under any of the terms, conditions or provisions of (A) its organizational documents or (B) any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which the Company or any Company Subsidiary is a party or by which it or any Company Subsidiary may be bound, or to which the Company or any Company Subsidiary or any of the properties or assets of the Company or any Company Subsidiary may be subject, or (ii) subject to compliance with the statutes and regulations referred to in the next paragraph, violate any statute, rule or regulation or any judgment, ruling, order, writ, injunction or decree applicable to the Company or any Company Subsidiary or any of their respective properties or assets except, in the case of clauses (i)(B) and (ii), for those occurrences that, individually or in the aggregate, have not had and would not reasonably be expected to have a Company Material Adverse Effect.

(c) Other than the filing of the Certificate of Designation with the Secretary of State of its jurisdiction of organization or other applicable Governmental Entity, such filings and approvals as are required to be made or obtained under any state "blue sky" laws and such as have been made or obtained, no notice to, filing with, exemption or review by, or authorization, consent or approval of, any Governmental Entity is required to be made or obtained by the Company in connection with the consummation by the Company of the Purchase except for any such notices, filings, exemptions, reviews, authorizations, consents and approvals the failure of which to make or obtain would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

2.6 Anti-takeover Provisions and Rights Plan. The Board of Directors of the Company (the "*Board of Directors*") has taken all necessary action to ensure that the transactions contemplated by this Agreement and the consummation of the transactions contemplated hereby will be exempt from any anti-takeover or similar provisions of the Company's Charter and bylaws, and any other provisions of any applicable "moratorium", "control share", "fair price", "interested stockholder" or other anti-takeover laws and regulations of any jurisdiction.

2.7 No Company Material Adverse Effect. Since the last day of the fiscal period covered by the last Call Report filed by the Company or the IDI Subsidiary(ies) prior to the Application Date, no fact, circumstance, event, change, occurrence, condition or development has occurred that, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect.

2.8 Company Financial Statements. The Company Financial Statements present fairly in all material respects the consolidated financial position of the Company and its consolidated subsidiaries as of the dates indicated therein and the consolidated results of their operations for the

periods specified therein; and except as stated therein, such financial statements (a) were prepared in conformity with GAAP applied on a consistent basis (except as may be noted therein) and (b) have been prepared from, and are in accordance with, the books and records of the Company and the Company Subsidiaries.

2.9 Reports

(a) Since December 31, 2007, the Company and each Company Subsidiary has filed all reports, registrations, documents, filings, statements and submissions, together with any amendments thereto, that it was required to file with any Governmental Entity (the foregoing, collectively, the "*Company Reports*") and has paid all fees and assessments due and payable in connection therewith, except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect. As of their respective dates of filing, the Company Reports complied in all material respects with all statutes and applicable rules and regulations of the applicable Governmental Entities.

(b) The records, systems, controls, data and information of the Company and the Company Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process, whether computerized or not) that are under the exclusive ownership and direct control of the Company or the Company Subsidiaries or their accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be expected to have a material adverse effect on the system of internal accounting controls described below in this Section 2.9(b). The Company (i) has implemented and maintains adequate disclosure controls and procedures to ensure that material information relating to the Company, including the consolidated Company Subsidiaries, is made known to the chief executive officer and the chief financial officer of the Company by others within those entities, and (ii) has disclosed, based on its most recent evaluation prior to the Signing Date, to the Company's outside auditors and the audit committee of the Board of Directors (A) any significant deficiencies and material weaknesses in the design or operation of internal controls that are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

2.10 No Undisclosed Liabilities. Neither the Company nor any of the Company Subsidiaries has any liabilities or obligations of any nature (absolute, accrued, contingent or otherwise) which are not properly reflected in the Company Financial Statements to the extent required to be so reflected and, if applicable, reserved against in accordance with GAAP applied on a consistent basis, except for (a) liabilities that have arisen since the last fiscal year end in the ordinary and usual course of business and consistent with past practice and (b) liabilities that, individually or in the aggregate, have not had and would not reasonably be expected to have a Company Material Adverse Effect.

2.11 Offering of Securities. Neither the Company nor any person acting on its behalf has taken any action (including any offering of any securities of the Company under circumstances which would require the integration of such offering with the offering of any of the Preferred Shares

under the Securities Act, and the rules and regulations of the Securities and Exchange Commission (the "*SEC*") promulgated thereunder), which might subject the offering, issuance or sale of any of the Preferred Shares to Treasury pursuant to this Agreement to the registration requirements of the Securities Act.

2.12 Litigation and Other Proceedings. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, there is no (a) pending or, to the knowledge of the Company, threatened, claim, action, suit, investigation or proceeding, against the Company or any Company Subsidiary or to which any of their assets are subject nor is the Company or any Company Subsidiary subject to any order, judgment or decree or (b) unresolved violation, criticism or exception by any Governmental Entity with respect to any report or relating to any examinations or inspections of the Company or any Company Subsidiaries. There is no claim, action, suit, investigation or proceeding pending or, to the Company's knowledge, threatened against any institution-affiliated party (as defined in 12 U.S.C. §1813(u)) of the Company or any of the IDI Subsidiaries that, if determined or resolved in a manner adverse to such institution-affiliated party, could result in such institution-affiliated party being prohibited from participation in the conduct of the affairs of any financial institution or holding company of any financial institution and, to the Company's knowledge, there are no facts or circumstances could reasonably be expected to provide a basis for any such claim, action, suit, investigation or proceeding.

2.13 Compliance with Laws. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, the Company and the Company Subsidiaries have all permits, licenses, franchises, authorizations, orders and approvals of, and have made all filings, applications and registrations with, Governmental Entities that are required in order to permit them to own or lease their properties and assets and to carry on their business as presently conducted and that are material to the business of the Company or such Company Subsidiary. Except as set forth in Part 2.13 of the Disclosure Schedule, the Company and the Company Subsidiaries have complied in all respects and are not in default or violation of, and none of them is, to the knowledge of the Company, under investigation with respect to or, to the knowledge of the Company, have been threatened to be charged with or given notice of any violation of, any applicable domestic (federal, state or local) or foreign law, statute, ordinance, license, rule, regulation, policy or guideline, order, demand, writ, injunction, decree or judgment of any Governmental Entity, other than such noncompliance, defaults or violations that would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect. Except for statutory or regulatory restrictions of general application, no Governmental Entity has placed any restriction on the business or properties of the Company or any Company Subsidiary that would, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

2.14 Employee Benefit Matters. Except as would not reasonably be expected to have, either individually or in the aggregate, a Company Material Adverse Effect: (a) each "employee benefit plan" (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*")) providing benefits to any current or former employee, officer or director of the Company or any member of its "*Controlled Group*" (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414 of the Internal Revenue Code of 1986, as amended (the "*Code*")) that is sponsored, maintained or

contributed to by the Company or any member of its Controlled Group and for which the Company or any member of its Controlled Group would have any liability, whether actual or contingent (each, a "*Plan*") has been maintained in compliance with its terms and with the requirements of all applicable statutes, rules and regulations, including ERISA and the Code; (b) with respect to each Plan subject to Title IV of ERISA (including, for purposes of this clause (b), any plan subject to Title IV of ERISA that the Company or any member of its Controlled Group previously maintained or contributed to in the six years prior to the Signing Date), (1) no "reportable event" (within the meaning of Section 4043(c) of ERISA), other than a reportable event for which the notice period referred to in Section 4043(c) of ERISA has been waived, has occurred in the three years prior to the Signing Date or is reasonably expected to occur, (2) no "accumulated funding deficiency" (within the meaning of Section 302 of ERISA or Section 412 of the Code), whether or not waived, has occurred in the three years prior to the Signing Date or is reasonably expected to occur, (3) the fair market value of the assets under each Plan exceeds the present value of all benefits accrued under such Plan (determined based on the assumptions used to fund such Plan) and (4) neither the Company nor any member of its Controlled Group has incurred in the six years prior to the Signing Date, or reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guaranty Corporation in the ordinary course and without default) in respect of a Plan (including any Plan that is a "multiemployer plan", within the meaning of Section 4001(c)(3) of ERISA); and (c) each Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service with respect to its qualified status that has not been revoked, or such a determination letter has been timely applied for but not received by the Signing Date, and nothing has occurred, whether by action or by failure to act, which could reasonably be expected to cause the loss, revocation or denial of such qualified status or favorable determination letter.

2.15 Taxes. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, (a) the Company and the Company Subsidiaries have filed all federal, state, local and foreign income and franchise Tax returns (together with any schedules and attached thereto) required to be filed through the Signing Date, subject to permitted extensions, and have paid all Taxes due thereon, (b) all such Tax returns (together with any schedules and attached thereto) are true, complete and correct in all material respects and were prepared in compliance with all applicable laws and (c) no Tax deficiency has been determined adversely to the Company or any of the Company Subsidiaries, nor does the Company have any knowledge of any Tax deficiencies.

2.16 Properties and Leases. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, the Company and the Company Subsidiaries have good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens (including, without limitation, liens for Taxes), encumbrances, claims and defects that would affect the value thereof or interfere with the use made or to be made thereof by them. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, the Company and the Company Subsidiaries hold all leased real or personal property under valid and enforceable leases with no exceptions that would interfere with the use made or to be made thereof by them.

2.17 Environmental Liability. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect:

(a) there is no legal, administrative, or other proceeding, claim or action of any nature seeking to impose, or that would reasonably be expected to result in the imposition of, on the Company or any Company Subsidiary, any liability relating to the release of hazardous substances as defined under any local, state or federal environmental statute, regulation or ordinance, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, pending or, to the Company's knowledge, threatened against the Company or any Company Subsidiary;

(b) to the Company's knowledge, there is no reasonable basis for any such proceeding, claim or action; and

(c) neither the Company nor any Company Subsidiary is subject to any agreement, order, judgment or decree by or with any court, Governmental Entity or third party imposing any such environmental liability.

2.18 Risk Management Instruments. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, all derivative instruments, including, swaps, caps, floors and option agreements, whether entered into for the Company's own account, or for the account of one or more of the Company Subsidiaries or its or their customers, were entered into (i) only in the ordinary course of business, (ii) in accordance with prudent practices and in all material respects with all applicable laws, rules, regulations and regulatory policies and (iii) with counterparties believed to be financially responsible at the time; and each of such instruments constitutes the valid and legally binding obligation of the Company or one of the Company Subsidiaries, enforceable in accordance with its terms, except as may be limited by the Bankruptcy Exceptions. Neither the Company or the Company Subsidiaries, nor, to the knowledge of the Company, any other party thereto, is in breach of any of its obligations under any such agreement or arrangement other than such breaches that would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

2.19 Agreements with Regulatory Agencies. Except as set forth in Part 2.19 of the Disclosure Schedule, neither the Company nor any Company Subsidiary is subject to any cease-and-desist or other similar order or enforcement action issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any capital directive by, or since December 31, 2007, has adopted any board resolutions at the request of, any Governmental Entity that currently restricts the conduct of its business or that in any material manner relates to its capital adequacy, its liquidity and funding policies and practices, its ability to pay dividends, its credit, risk management or compliance policies or procedures, its internal controls, its management or its operations or business (each item in this sentence, a "*Regulatory Agreement*"), nor has the Company or any Company Subsidiary been advised since December 31, 2007, by any such Governmental Entity that it is considering issuing, initiating, ordering, or requesting any such Regulatory Agreement. The Company and each Company Subsidiary is in compliance with each Regulatory Agreement to which it is party or subject, and neither the Company nor any Company Subsidiary

has received any notice from any Governmental Entity indicating that either the Company or any Company Subsidiary is not in compliance with any such Regulatory Agreement.

2.20 Insurance. The Company and the Company Subsidiaries are insured with reputable insurers against such risks and in such amounts as the management of the Company reasonably has determined to be prudent and consistent with industry practice. The Company and the Company Subsidiaries are in material compliance with their insurance policies and are not in default under any of the material terms thereof, each such policy is outstanding and in full force and effect, all premiums and other payments due under any material policy have been paid, and all claims thereunder have been filed in due and timely fashion, except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

2.21 Intellectual Property. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, (i) the Company and each Company Subsidiary owns or otherwise has the right to use, all intellectual property rights, including all trademarks, trade dress, trade names, service marks, domain names, patents, inventions, trade secrets, know-how, works of authorship and copyrights therein, that are used in the conduct of their existing businesses and all rights relating to the plans, design and specifications of any of its branch facilities ("*Proprietary Rights*") free and clear of all liens and any claims of ownership by current or former employees, contractors, designers or others and (ii) neither the Company nor any of the Company Subsidiaries is materially infringing, diluting, misappropriating or violating, nor has the Company or any of the Company Subsidiaries received any written (or, to the knowledge of the Company, oral) communications alleging that any of them has materially infringed, diluted, misappropriated or violated, any of the Proprietary Rights owned by any other person. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect, to the Company's knowledge, no other person is infringing, diluting, misappropriating or violating, nor has the Company or any or the Company Subsidiaries sent any written communications since December 31, 2007, alleging that any person has infringed, diluted, misappropriated or violated, any of the Proprietary Rights owned by the Company and the Company Subsidiaries.

2.22 Brokers and Finders. Treasury has no liability for any amounts that any broker, finder or investment banker is entitled to for any financial advisory, brokerage, finder's or other fee or commission in connection with this Agreement or the transactions contemplated hereby based upon arrangements made by or on behalf of the Company or any Company Subsidiary.

2.23 Disclosure Schedule. The Company has delivered the Disclosure Schedule and, if applicable, the Disclosure Update to Treasury and the information contained in the Disclosure Schedule, as modified by the information contained in the Disclosure Update, if applicable, is true, complete and correct.

2.24 Previously Acquired Preferred Shares. If Treasury holds Previously Acquired Preferred Shares:

(a) The Company has not breached any representation, warranty or covenant set forth in the Original Letter Agreement or any of the other documents governing the Previously Acquired Preferred Stock.

(b) The Company has paid to Treasury: (i) if the Previously Acquired Preferred Stock is cumulative, all accrued and unpaid dividends and/or interest then due on the Previously Acquired Preferred Stock; or (ii) if the Previously Acquired Preferred Stock is non-cumulative, all unpaid dividends and/or interest due on the Previously Acquired Preferred Shares for the fiscal quarter prior to the Closing Date plus the accrued and unpaid dividends and/or interest due on the Previously Acquired Preferred Shares as of the Closing Date for the fiscal quarter in which the Closing shall occur.

2.25 Related Party Transactions. Neither the Company nor any Company Subsidiary has made any extension of credit to any director or Executive Officer of the Company or any Company Subsidiary, any holder of 5% or more of the Company's issued and outstanding capital stock, or any of their respective spouses or children or to any Affiliate of any of the foregoing (each, a "*Related Party*"), other than in compliance with 12 C.F.R Part 215 (Regulation O). Except as set forth in Part 2.25 of the Disclosure Schedule, to the Company's knowledge, no Related Party has any (i) material commercial, industrial, banking, consulting, legal, accounting, charitable or familial relationship with any vendor or material customer of the Company or any Company Subsidiary that is not on arms-length terms, or (ii) direct or indirect ownership interest in any person or entity with which the Company or any Company Subsidiary has a material business relationship that is not on arms-length terms (not including Publicly-traded entities in which such person owns less than two percent (2%) of the outstanding capital stock).

2.26 Ability to Pay Dividends. The Company has all permits, licenses, franchises, authorizations, orders and approvals of, and has made all filings, applications and registrations with, Governmental Entities and third parties that are required in order to permit the Company to declare and pay dividends on the Preferred Shares on the Dividend Payment Dates set forth in the Certificate of Designation.

ARTICLE III
COVENANTS

3.1 Affirmative Covenants. The Company hereby covenants and agrees with Treasury that:

(a) Commercially Reasonable Efforts. Subject to the terms and conditions of this Agreement, each of the parties will use its commercially reasonable efforts in good faith to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or desirable, or advisable under applicable laws, so as to permit consummation of the Purchase as promptly as practicable and otherwise to enable consummation of the transactions contemplated hereby and shall use commercially reasonable efforts to cooperate with the other party to that end.

(b) Certain Notifications until Closing. From the Signing Date until the Closing, the Company shall promptly notify Treasury of (i) any fact, event or circumstance of which it is aware and which would reasonably be expected to cause any representation or warranty of the Company contained in this Agreement to be untrue or inaccurate in any material respect or to cause any covenant or agreement of the Company contained in this Agreement not to be complied with or satisfied in any material respect and (ii) except as Previously Disclosed, any fact, circumstance, event, change, occurrence, condition or development of which the Company is aware and which, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect; *provided, however*, that delivery of any notice pursuant to this Section 3.1(b) shall not limit or affect any rights of or remedies available to Treasury.

(c) Access, Information and Confidentiality.

(i) From the Signing Date until the date on which all of the Preferred Shares have been redeemed in whole, the Company will permit, and shall cause each of the Company's Subsidiaries to permit, Treasury, the Oversight Officials and their respective agents, consultants, contractors and advisors to (x) examine any books, papers, records, Tax returns (including all schedules attached thereto), data and other information; (y) make copies thereof; and (z) discuss the affairs, finances and accounts of the Company and the Company Subsidiaries with the personnel of the Company and the Company Subsidiaries, all upon reasonable notice; *provided*, that:

(A) any examinations and discussions pursuant to this Section 3.1(c)(i) shall be conducted during normal business hours and in such manner as not to interfere unreasonably with the conduct of the business of the Company;

(B) neither the Company nor any Company Subsidiary shall be required by this Section 3.1(c)(i) to disclose any information to the extent (x) prohibited by applicable law or regulation, or (y) that such disclosure would reasonably be expected to cause a violation of any agreement to which the Company or any Company Subsidiary is a party or would cause a risk of a loss of privilege to the Company or any Company Subsidiary (*provided* that the Company shall use commercially reasonable efforts to make appropriate substitute disclosure arrangements under circumstances where the restrictions in this clause (B) apply);

(C) the obligations of the Company and the Company Subsidiaries to disclose information pursuant to this Section 3.1(c)(i) to any Oversight Official or any agent, consultant, contractor and advisor thereof, such Oversight Official shall have agreed, with respect to documents obtained under this Section 3.1(c)(i), to follow applicable law and regulation (and the applicable customary policies and procedures) regarding the dissemination of confidential materials, including redacting confidential

information from the public version of its reports and soliciting input from the Company as to information that should be afforded confidentiality, as appropriate; and

(D) for avoidance of doubt, such examinations and discussions may, at Treasury's option, be conducted on site at any office of the Company or any Company Subsidiary.

(ii) From the Signing Date until the date on which all of the Preferred Shares have been redeemed in whole, the Company will deliver, or will cause to be delivered, to Treasury:

(A) as soon as available after the end of each fiscal year of the Company, and in any event within 90 days thereafter, a consolidated balance sheet of the Company as of the end of such fiscal year, and consolidated statements of income, retained earnings and cash flows of the Company for such year, in each case prepared in accordance with GAAP applied on a consistent basis and setting forth in each case in comparative form the figures for the previous fiscal year of the Company and which shall be audited to the extent audited financial statements are available;

(B) as soon as available after the end of the first, second and third quarterly periods in each fiscal year of the Company, a copy of any quarterly reports provided to other stockholders of the Company or Company management by the Company;

(C) as soon as available after the Company receives any assessment of the Company's internal controls, a copy of such assessment (other than assessments provided by the Appropriate Federal Banking Agency or the Appropriate State Banking Agency that the Company is prohibited by applicable law or regulation from disclosing to Treasury);

(D) annually on a date specified by Treasury, a completed survey, in a form specified by Treasury, providing, among other things, a description of how the Company has utilized the funds the Company received hereunder in connection with the sale of the Preferred Shares and the effects of such funds on the operations and status of the Company;

(E) as soon as such items become effective, any amendments to the Charter, bylaws or other organizational documents of the Company; and

(F) at the same time as such items are sent to any stockholders of the Company, copies of any information or documents sent by the Company to its stockholders.

(iii) Treasury will use reasonable best efforts to hold, and will use reasonable best efforts to cause its agents, consultants, contractors and advisors and United States executive branch officials and employees, to hold, in confidence all non-public records, books, contracts, instruments, computer data and other data and information (collectively, "*Information*") concerning the Company furnished or made available to it by the Company or its representatives pursuant to this Agreement (except to the extent that such information can be shown to have been (A) previously known by such party on a non-confidential basis, (B) in the public domain through no fault of such party or (C) later lawfully acquired from other sources by the party to which it was furnished (and without violation of any other confidentiality obligation)); *provided* that nothing herein shall prevent Treasury from disclosing any Information to the extent required by applicable laws or regulations or by any subpoena or similar legal process. Treasury understands that the Information may contain commercially sensitive confidential information entitled to an exception from a Freedom of Information Act request.

(iv) Treasury's information rights pursuant to Section 3.1(c)(ii)(A), (B), (C), (E) and (F) and Treasury's right to receive certifications from the Company pursuant to Section 3.1(d)(i) may be assigned by Treasury to a transferee or assignee of the Preferred Shares with a liquidation preference of no less than an amount equal to 2% of the initial aggregate liquidation preference of the Preferred Shares.

(v) Nothing in this Section shall be construed to limit the authority that any Oversight Official or any other applicable regulatory authority has under law.

(vi) The Company shall provide to Treasury all such information as Treasury may request from time to time for the purpose of carrying out the study required by Section 4112 of the SBJA.

(d) Quarterly Supplemental Reports and Annual Certifications.

(i) Concurrently with the submission of Call Reports by the Company or the IDI Subsidiary(ies) (as the case may be) for each quarter ending after the Closing Date, the Company shall deliver to Treasury a certificate in substantially the form attached hereto as Annex H setting forth a complete and accurate statement of loans held by the Company in each of the categories described therein, for the time periods specified therein, (A) including a signed certification of the Chief Executive Officer, the Chief Financial Officer and all directors or trustees of the Company or the IDI Subsidiary(ies) who attested to the Call Report for the quarter covered by such certificate, that such certificate (x) has been prepared in conformance with the instructions issued by Treasury and (y) is true and correct to the best of their knowledge and belief; (B) completed for such quarter (each, a "*Quarterly Supplemental Report*").

(ii) Within ninety (90) days after the end of each fiscal year of the Company during which the Initial Supplemental Report is submitted pursuant to Section 1.3(j) or

the first ten (10) Quarterly Supplemental Reports are submitted pursuant to Section 3.1(d)(i), the Company shall deliver to Treasury a certification from the Company's independent auditors that the Initial Supplemental Report and/or Quarterly Supplemental Reports during such fiscal year are complete and accurate with respect to accounting matters, including policies and procedures and controls over such.

(iii) Until the date on which the Preferred Shares are redeemed pursuant to Section 5 of the Certificate of Designation, within ninety (90) days after the end of each fiscal year of the Company, the Company shall deliver to Treasury a certificate in substantially the form attached hereto as Annex I, signed on behalf of the Company by an Executive Officer.

(iv) If any Initial Supplemental Report or Quarterly Supplemental Report is inaccurate, Treasury shall be entitled to recover from the Company, upon demand, the amount of any difference between (x) the amount of the dividend payment(s) actually made to Treasury based on such inaccurate report and (y) the correct amount of the dividend payment(s) that should have been made, but for such inaccuracy. The Company shall provide Treasury with a written description of any such inaccuracy within three (3) business days after the Company's discovery thereof.

(v) Treasury shall have the right from time to time to modify Annex H, by posting an amended and restated version of Annex H on Treasury's web site, to conform Annex H to (A) reflect changes in GAAP, (B) reflect changes in the form or content of, or definitions used in, Call Reports, or (C) to make clarifications and/or technical corrections as Treasury determines to be reasonably necessary. Notwithstanding anything herein to the contrary, upon posting by Treasury on its web site, Annex H shall be deemed to be amended and restated as so posted, without the need for any further act on the part of any person or entity. If any such modification includes a change to the caption or number of any line item of Annex H, any reference herein to such line item shall thereafter be a reference to such re-captioned or re-numbered line item.

(e) Bank and Thrift Holding Company Status. If the Company is a Bank Holding Company or a Savings and Loan Holding Company on the Signing Date, then the Company shall maintain its status as a Bank Holding Company or Savings and Loan Holding Company, as the case may be, for as long as Treasury owns any Preferred Shares. The Company shall redeem all Preferred Shares held by Treasury prior to terminating its status as a Bank Holding Company or Savings and Loan Holding Company, as applicable.

(f) Predominantly Financial. For as long as Treasury owns any Preferred Shares, the Company, to the extent it is not itself an insured depository institution, agrees to remain predominantly engaged in financial activities. A company is predominantly engaged in financial activities if the annual gross revenues derived by the company and all subsidiaries of the company (excluding revenues derived from subsidiary depository institutions), on a consolidated basis, from engaging in activities that are financial in nature or are incidental to a financial activity under subsection (k) of Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k)) represent at least 85 percent of the consolidated annual gross revenues of the company.

(g) Capital Covenant. From the Signing Date until the date on which all of the Preferred Shares have been redeemed in whole, the Company and the Company Subsidiaries shall maintain such capital as may be necessary to meet the minimum capital requirements of the Appropriate Federal Banking Agency, as in effect from time to time.

(h) Reporting Requirements. Prior to the date on which all of the Preferred Shares have been redeemed in whole, the Company covenants and agrees that, at all times on or after the Closing Date, (i) to the extent it is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, it shall comply with the terms and conditions set forth in Annex E or (ii) as soon as practicable after the date that the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, it shall comply with the terms and conditions set forth in Annex E.

(i) Transfer of Proceeds to Depository Institutions. If the Company is a Bank Holding Company or a Savings and Loan Holding Company, the Company shall immediately transfer to the IDI Subsidiaries, as equity capital contributions (in a manner that will cause such equity capital contributions to qualify for inclusion in the Tier 1 capital of the IDI Subsidiaries), not less than ninety percent (90%) of the proceeds it receives in connection with the sale of Preferred Shares; *provided*, *however*, that:

(A) no IDI Subsidiary shall receive any amount pursuant to this Section 3.1(i) in excess of (A) three percent (3%) of the insured depository institution's Total Risk-Weighted Assets as reported in its Call Report filed immediately prior to the Application Date, if the insured depository institution has Total Assets of more than $1,000,000,000 and less than $10,000,000,000 as of December 31, 2009or (B) five percent (5%) of the IDI Subsidiary's Total Risk-Weighted Assets as reported in its Call Report filed immediately prior to the Application Date, if the IDI Subsidiary has Total Assets of $1,000,000,000 or less as of December 31, 2009; and

(B) if Treasury held Previously Acquired Preferred Shares immediately prior to the Closing Date, the amount required to be transferred pursuant this Section 3.1(i) shall be the difference obtained by subtracting the Repayment Amount from the Purchase Price (unless the Purchase Price is less than the Repayment Amount, in which case no amount shall be required to be transferred pursuant to this Section 3.1(i)).

(j) Outreach to Minorities, Women and Veterans. The Company shall comply with Section 4103(d)(8) of the SBJA.

(k) Certification Related to Sex Offender Registration and Notification Act. The Company shall obtain from any business to which it makes a loan that is funded in whole or in part using funds from the Purchase Price a written certification that no principal of such business has been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act, 42 U.S.C. §16911). The Company shall retain all such certifications in accordance with standard recordkeeping practices established by the Appropriate Federal Banking Agency.

3.2 Negative Covenants . The Company hereby covenants and agrees with Treasury that:

(a) Certain Transactions.

(i) The Company shall not merge or consolidate with, or sell, transfer or lease all or substantially all of its property or assets to, any other party unless the successor, transferee or lessee party (or its ultimate parent entity), as the case may be (if not the Company), expressly assumes the due and punctual performance and observance of each and every covenant, agreement and condition of this Agreement to be performed and observed by the Company.

(ii) Without the prior written consent of Treasury, until such time as Treasury shall cease to own any Preferred Shares, the Company shall not permit any of its "significant subsidiaries" (as such term is defined in Rule 12b-2 promulgated under the Exchange Act) to (A) engage in any merger, consolidation, statutory share exchange or similar transaction following the consummation of which such significant subsidiary is not wholly-owned by the Company, (B) dissolve or sell all or substantially all of its assets or property other than in connection with an internal reorganization or consolidation involving wholly-owned subsidiaries of the Company or (C) issue or sell any shares of its capital stock or any securities convertible or exercisable for any such shares, other than issuances or sales in connection with an internal reorganization or consolidation involving wholly-owned subsidiaries of the Company.

(b) Restriction on Dividends and Repurchases. The Company covenants and agrees that it shall not violate any of the restrictions on dividends, distributions, redemptions, repurchases, acquisitions and related actions set forth in the Certificate of Designation, which are incorporated by reference herein as if set forth in full.

(c) Related Party Transactions. Until such time as Treasury ceases to own any debt or equity securities of the Company, including the Preferred Shares, the Company and the Company Subsidiaries shall not enter into transactions with Affiliates or related persons (within the meaning of Item 404 under the SEC's Regulation S-K) unless (A) such transactions are on terms no less favorable to the Company and the Company Subsidiaries than could be obtained from an unaffiliated third party, and (B) have been approved by the audit committee of the Board of Directors or comparable body of independent directors of the Company, or if there are no independent directors, the Board of Directors, *provided* that the Board of Directors shall maintain written documentation which supports its determination that the transaction meets the requirements of clause (A) of this Section 3.2(c).

ARTICLE IV
ADDITIONAL AGREEMENTS

4.1 Purchase for Investment. Treasury acknowledges that the Preferred Shares have not been registered under the Securities Act or under any state securities laws. Treasury (a) is acquiring the Preferred Shares pursuant to an exemption from registration under the Securities Act solely for investment with no present intention to distribute them to any person in violation of the Securities Act or any applicable U.S. state securities laws, (b) will not sell or otherwise dispose of

any of the Preferred Shares, except in compliance with the registration requirements or exemption provisions of the Securities Act and any applicable U.S. state securities laws, and (c) has such knowledge and experience in financial and business matters and in investments of this type that it is capable of evaluating the merits and risks of the Purchase and of making an informed investment decision.

4.2 Legends. (a) Treasury agrees that all certificates or other instruments representing the Preferred Shares will bear a legend substantially to the following effect:

"THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE NOT SAVINGS ACCOUNTS, DEPOSITS OR OTHER OBLIGATIONS OF A BANK AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY.

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS. EACH PURCHASER OF THE SECURITIES REPRESENTED BY THIS INSTRUMENT IS NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER (THE "144A EXEMPTION"). IF ANY TRANSFEREE OF THE SECURITIES REPRESENTED BY THIS INSTRUMENT IS ADVISED BY THE TRANSFEROR THAT SUCH TRANSFEROR IS RELYING ON THE 144A EXEMPTION, SUCH TRANSFEREE BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (2) AGREES THAT IT WILL NOT OFFER, SELL OR OTHERWISE TRANSFER THE SECURITIES REPRESENTED BY THIS INSTRUMENT EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT WHICH IS THEN EFFECTIVE UNDER THE SECURITIES ACT, (B) FOR SO LONG AS THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (C) TO THE ISSUER OR (D) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THE

SECURITIES REPRESENTED BY THIS INSTRUMENT ARE TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS INSTRUMENT IS ISSUED SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS OF A SECURITIES PURCHASE AGREEMENT BETWEEN THE ISSUER OF THESE SECURITIES AND TREASURY, A COPY OF WHICH IS ON FILE WITH THE ISSUER. THE SECURITIES REPRESENTED BY THIS INSTRUMENT MAY NOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH SAID AGREEMENT. ANY SALE OR OTHER TRANSFER NOT IN COMPLIANCE WITH SAID AGREEMENT WILL BE VOID."

(b) In the event that any Preferred Shares (i) become registered under the Securities Act or (ii) are eligible to be transferred without restriction in accordance with Rule 144 or another exemption from registration under the Securities Act (other than Rule 144A), the Company shall issue new certificates or other instruments representing such Preferred Shares, which shall not contain the applicable legends in Section 4.2(a) above; *provided* that Treasury surrenders to the Company the previously issued certificates or other instruments.

4.3 Transfer of Preferred Shares. Subject to compliance with applicable securities laws, Treasury shall be permitted to transfer, sell, assign or otherwise dispose of ("*Transfer*") all or a portion of the Preferred Shares at any time, and the Company shall take all steps as may be reasonably requested by Treasury to facilitate the Transfer of the Preferred Shares, including without limitation, as set forth in Section 4.4, *provided* that Treasury shall not Transfer any Preferred Shares if such transfer would require the Company to be subject to the periodic reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934 (the "*Exchange Act*") and the Company was not already subject to such requirements. In furtherance of the foregoing, the Company shall provide reasonable cooperation to facilitate any Transfers of the Preferred Shares, including, as is reasonable under the circumstances, by furnishing such information concerning the Company and its business as a proposed transferee may reasonably request and making management of the Company reasonably available to respond to questions of a proposed transferee in accordance with customary practice, subject in all cases to the proposed transferee agreeing to a customary confidentiality agreement.

4.4 Rule 144; Rule 144A; 4(1½) Transactions. (a) At all times after the Signing Date, the Company covenants that (1) it will, upon the request of Treasury or any subsequent holders of the Preferred Shares ("*Holders*"), use its reasonable best efforts to (x), to the extent any Holder is relying on Rule 144 under the Securities Act to sell any of the Preferred Shares, make "current public information" available, as provided in Section (c)(1) of Rule 144 (if the Company is a "Reporting Issuer" within the meaning of Rule 144) or in Section (c)(2) of Rule 144 (if the Company is a "Non-Reporting Issuer" within the meaning of Rule 144), in either case for such time period as necessary to permit sales pursuant to Rule 144, (y), to the extent any Holder is relying on the so-called "Section 4(1½)" exemption to sell any of its Preferred Shares, prepare and provide to such Holder such information, including the preparation of private offering memoranda or circulars or financial information, as the Holder may reasonably request to enable the sale of the Preferred

Shares pursuant to such exemption, or (z) to the extent any Holder is relying on Rule 144A under the Securities Act to sell any of its Preferred Shares, prepare and provide to such Holder the information required pursuant to Rule 144A(d)(4), and (2) it will take such further action as any Holder may reasonably request from time to time to enable such Holder to sell Preferred Shares without registration under the Securities Act within the limitations of the exemptions provided by (i) the provisions of the Securities Act or any interpretations thereof or related thereto by the SEC, including transactions based on the so-called "Section 4(1½)" and other similar transactions, (ii) Rule 144 or 144A under the Securities Act, as such rules may be amended from time to time, or (iii) any similar rule or regulation hereafter adopted by the SEC; *provided* that the Company shall not be required to take any action described in this Section 4.4(a) that would cause the Company to become subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act if the Company was not subject to such requirements prior to taking such action. Upon the request of any Holder, the Company will deliver to such Holder a written statement as to whether it has complied with such requirements and, if not, the specifics thereof.

(b) The Company agrees to indemnify Treasury, Treasury's officials, officers, employees, agents, representatives and Affiliates, and each person, if any, that controls Treasury within the meaning of the Securities Act (each, an "*Indemnitee*"), against any and all losses, claims, damages, actions, liabilities, costs and expenses (including reasonable fees, expenses and disbursements of attorneys and other professionals incurred in connection with investigating, defending, settling, compromising or paying any such losses, claims, damages, actions, liabilities, costs and expenses), joint or several, arising out of or based upon any untrue statement or alleged untrue statement of material fact contained in any document or report provided by the Company pursuant to this Section 4.4 or any omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(c) If the indemnification provided for in Section 4.4(b) is unavailable to an Indemnitee with respect to any losses, claims, damages, actions, liabilities, costs or expenses referred to therein or is insufficient to hold the Indemnitee harmless as contemplated therein, then the Company, in lieu of indemnifying such Indemnitee, shall contribute to the amount paid or payable by such Indemnitee as a result of such losses, claims, damages, actions, liabilities, costs or expenses in such proportion as is appropriate to reflect the relative fault of the Indemnitee, on the one hand, and the Company, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, actions, liabilities, costs or expenses as well as any other relevant equitable considerations. The relative fault of the Company, on the one hand, and of the Indemnitee, on the other hand, shall be determined by reference to, among other factors, whether the untrue statement of a material fact or omission to state a material fact relates to information supplied by the Company or by the Indemnitee and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission; the Company and Treasury agree that it would not be just and equitable if contribution pursuant to this Section 4.4(c) were determined by *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 4.4(b). No Indemnitee guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from the Company if the Company was not guilty of such fraudulent misrepresentation.

4.5 Depositary Shares. Upon request by Treasury at any time following the Closing Date, the Company shall promptly enter into a depositary arrangement, pursuant to customary agreements reasonably satisfactory to Treasury and with a depositary reasonably acceptable to Treasury, pursuant to which the Preferred Shares may be deposited and depositary shares, each representing a fraction of a Preferred Share, as specified by Treasury, may be issued. From and after the execution of any such depositary arrangement, and the deposit of any Preferred Shares, as applicable, pursuant thereto, the depositary shares issued pursuant thereto shall be deemed "Preferred Shares" and, as applicable, "Registrable Securities" for purposes of this Agreement.

4.6 Expenses and Further Assurances. (a) Unless otherwise provided in this Agreement, each of the parties hereto will bear and pay all costs and expenses incurred by it or on its behalf in connection with the transactions contemplated under this Agreement, including fees and expenses of its own financial or other consultants, investment bankers, accountants and counsel.

(b) The Company shall, at the Company's sole cost and expense, (i) furnish to Treasury all instruments, documents and other agreements required to be furnished by the Company pursuant to the terms of this Agreement, including, without limitation, any documents required to be delivered pursuant to Section 4.4 above, or which are reasonably requested by Treasury in connection therewith; (ii) execute and deliver to Treasury such documents, instruments, certificates, assignments and other writings, and do such other acts necessary or desirable, to evidence, preserve and/or protect the Preferred Shares purchased by Treasury, as Treasury may reasonably require; and (iii) do and execute all and such further lawful and reasonable acts, conveyances and assurances for the better and more effective carrying out of the intents and purposes of this Agreement, as Treasury shall reasonably require from time to time.

ARTICLE V
MISCELLANEOUS

5.1 Termination This Agreement shall terminate upon the earliest to occur of:

(a) termination at any time prior to the Closing:

(i) by either Treasury or the Company if the Closing shall not have occurred on or before the 30th calendar day following the date on which Treasury issued its preliminary approval of the Company's application to participate in SBLF (the "Closing Deadline"); *provided*, *however*, that in the event the Closing has not occurred by the Closing Deadline, the parties will consult in good faith to determine whether to extend the term of this Agreement, it being understood that the parties shall be required to consult only until the fifth calendar day after the Closing Deadline and not be under any obligation to extend the term of this Agreement thereafter; *provided*, *further*, that the right to terminate this Agreement under this Section 5.1(a)(i) shall not be available to any party whose breach of any representation or warranty or failure to perform any obligation under this Agreement shall have caused or resulted in the failure of the Closing to occur on or prior to such date; or

(ii) by either Treasury or the Company in the event that any Governmental Entity shall have issued an order, decree or ruling or taken any other action restraining, enjoining

or otherwise prohibiting the transactions contemplated by this Agreement, and such order, decree, ruling or other action shall have become final and nonappealable; or

(iii) by the mutual written consent of Treasury and the Company; or

(b) the date on which all of the Preferred Shares have been redeemed in whole; or

(c) the date on which Treasury has transferred all of the Preferred Shares to third parties which are not Affiliates of Treasury.

In the event of termination of this Agreement as provided in this Section 5.1, this Agreement shall forthwith become void and there shall be no liability on the part of either party hereto except that nothing herein shall relieve either party from liability for any breach of this Agreement.

5.2 Survival.

(a) This Agreement and all representations, warranties, covenants and agreements made herein shall survive the Closing without limitation.

(b) The covenants set forth in Article III and Annex E and the agreements set forth in Article IV shall, to the extent such covenants do not explicitly terminate at such time as Treasury no longer owns any Preferred Shares, survive the termination of this Agreement pursuant to Section 5.1(c) without limitation until the date on which all of the Preferred Shares have been redeemed in whole.

(c) The rights and remedies of Treasury with respect to the representations, warranties, covenants and obligations of the Company herein shall not be affected by any investigation conducted with respect to, or any knowledge acquired (or capable of being acquired) at any time by Treasury or any of its personnel or agents with respect to the accuracy or inaccuracy of, or compliance with, any such representation, warranty, covenant or obligation.

5.3 Amendment. No amendment of any provision of this Agreement will be effective unless made in writing and signed by an officer or a duly authorized representative of each party, except as set forth in Section 3.1(d)(v). No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative of any rights or remedies provided by law.

5.4 Waiver of Conditions. The conditions to each party's obligation to consummate the Purchase are for the sole benefit of such party and may be waived by such party in whole or in part to the extent permitted by applicable law. No waiver will be effective unless it is in a writing signed by a duly authorized officer of the waiving party that makes express reference to the provision or provisions subject to such waiver.

5.5 Governing Law; Submission to Jurisdiction, etc. This Agreement and any claim, controversy or dispute arising under or related to this Agreement, the relationship of the parties, and/or the interpretation and enforcement of the rights and duties of the parties shall be enforced, governed, and construed in all respects (whether in contract or in tort) in accordance with the federal law of the United States if and to the extent such law is applicable, and otherwise in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State. Each of the parties hereto agrees (a) to submit to the exclusive jurisdiction and venue of the United States District Court for the District of Columbia and the United States Court of Federal Claims for any and all civil actions, suits or proceedings arising out of or relating to this Agreement or the Purchase contemplated hereby and (b) that notice may be served upon (i) the Company at the address and in the manner set forth for notices to the Company in Section 5.7 and (ii) Treasury at the address and in the manner set forth for notices to the Company in Section 5.7, but otherwise in accordance with federal law. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES HERETO HEREBY UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY CIVIL LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR THE PURCHASE CONTEMPLATED HEREBY.

5.6 No Relationship to TARP. The parties acknowledge and agree that (i) the SBLF program is separate and distinct from the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008; and (ii) the Company shall not, by virtue of the investment contemplated hereby, be considered a recipient under the Troubled Asset Relief Program.

5.7 Notices. Any notice, request, instruction or other document to be given hereunder by any party to the other will be in writing and will be deemed to have been duly given (a) on the date of delivery if delivered personally, or by facsimile, upon confirmation of receipt, or (b) on the second business day following the date of dispatch if delivered by a recognized next day courier service. All notices to the Company shall be delivered as set forth on the cover page of this Agreement, or pursuant to such other instruction as may be designated in writing by the Company to Treasury. All notices to Treasury shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by Treasury to the Company.

If to Treasury:

United States Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220
Attention: Small Business Lending Fund, Office of Domestic Finance

E-mail: SBLFComplSubmissions@treasury.gov

5.8 Assignment. Neither this Agreement nor any right, remedy, obligation nor liability arising hereunder or by reason hereof shall be assignable by any party hereto without the prior written consent of the other party, and any attempt to assign any right, remedy, obligation or liability hereunder without such consent shall be void, except (a) an assignment, in the case of a merger, consolidation, statutory share exchange or similar transaction that requires the approval of the Company's stockholders (a "*Business Combination*") where such party is not the surviving entity,

or a sale of substantially all of its assets, to the entity which is the survivor of such Business Combination or the purchaser in such sale, (b) an assignment of certain rights as provided in Sections 3.1(c) or 3.1(h) or Annex E or (c) an assignment by Treasury of this Agreement to an Affiliate of Treasury; *provided* that if Treasury assigns this Agreement to an Affiliate, Treasury shall be relieved of its obligations under this Agreement but (i) all rights, remedies and obligations of Treasury hereunder shall continue and be enforceable by such Affiliate, (ii) the Company's obligations and liabilities hereunder shall continue to be outstanding and (iii) all references to Treasury herein shall be deemed to be references to such Affiliate.

5.9 Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to persons or circumstances other than those as to which it has been held invalid or unenforceable, will remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties.

5.10 No Third Party Beneficiaries. Other than as expressly provided herein, nothing contained in this Agreement, expressed or implied, is intended to confer upon any person or entity other than the Company and Treasury (and any Indemnitee) any benefit, right or remedies.

5.11 Specific Performance. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms. It is accordingly agreed that the parties shall be entitled (without the necessity of posting a bond) to specific performance of the terms hereof, this being in addition to any other remedies to which they are entitled at law or equity.

5.12 Interpretation. When a reference is made in this Agreement to "Articles" or "Sections" such reference shall be to an Article or Section of the Annex of this Agreement in which such reference is contained, unless otherwise indicated. When a reference is made in this Agreement to an "Annex", such reference shall be to an Annex to this Agreement, unless otherwise indicated. The terms defined in the singular have a comparable meaning when used in the plural, and vice versa. References to "herein", "hereof", "hereunder" and the like refer to this Agreement as a whole and not to any particular section or provision, unless the context requires otherwise. The table of contents and headings contained in this Agreement are for reference purposes only and are not part of this Agreement. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation". No rule of construction against the draftsperson shall be applied in connection with the interpretation or enforcement of this Agreement, as this Agreement is entered into between sophisticated parties advised by counsel. All references to "*$*" or "*dollars*" mean the lawful currency of the United States of America. Except as expressly stated in this Agreement, all references to any statute, rule or regulation are to the statute, rule or regulation as amended, modified, supplemented or replaced from time to time (and, in the case of statutes, include any rules and regulations promulgated under

the statute) and to any section of any statute, rule or regulation include any successor to the section. References to a "*business day*" shall mean any day except Saturday, Sunday and any day on which banking institutions in the State of New York or the District of Columbia generally are authorized or required by law or other governmental actions to close.

ANNEX D
DISCLOSURE SCHEDULE

Part 2.2 Capitalization

Capital stock reserved for issuance in connection with securities or obligations giving the holder thereof the right to acquire such capital:	**None.**
Shares issued since the Capitalization Date upon exercise of options or pursuant to equity-based awards, warrants, or convertible securities:	**None.**
All other shares issued since the Capitalization Date:	**648,540 shares.**
Holders of 5% or more of any class of capital stock	Primary Address
1. CTB Financial Corporation Employee Stock Ownership Plan (378,362 shares)	**1511 N. Trenton St. Ruston, LA 71270**
2. James E. Davison, Jr. (271,146 shares)	**P. O. Box 13003 Ruston, LA 71273-3003**

If the Company is a Bank Holding Company or Savings and Loan Holding Company, complete the following (leave blank otherwise):

Name of IDI Subsidiary	Percentage of IDI Subsidiary's capital stock owned by the Company
Community Trust Bank	**100%**

Part 2.13 Compliance With Laws

List any exceptions to the representation and warranty in the second sentence of Section 2.13 of the General Terms and Conditions. If none, please so indicate by checking the box: x.

List any exceptions to the representation and warranty in the last sentence of Section 2.13 of the General Terms and Conditions. If none, please so indicate by checking the box: x.

Part 2.19 Regulatory Agreements

List any exceptions to the representation and warranty in Section 2.19 of the General Terms and Conditions. If none, please so indicate by checking the box: x.

Part 2.25 Related Party Transactions

List any exceptions to the representation and warranty in Section 2.25 of the General Terms and Conditions. If none, please so indicate by checking the box: x.

ANNEX E
REGISTRATION RIGHTS

1. Definitions. Terms not defined in this Annex shall have the meaning ascribed to such terms in the Agreement. As used in this Annex E, the following terms shall have the following respective meanings:

(a) "*Holder*" means Treasury and any other holder of Registrable Securities to whom the registration rights conferred by this Agreement have been transferred in compliance with Section 9 of this Annex E.

(b) "*Holders' Counsel*" means one counsel for the selling Holders chosen by Holders holding a majority interest in the Registrable Securities being registered.

(c) "*Pending Underwritten Offering*" means, with respect to any Holder forfeiting its rights pursuant to Section 11 of this Annex E, any underwritten offering of Registrable Securities in which such Holder has advised the Company of its intent to register its Registrable Securities either pursuant to Section 2(b) or 2(d) of this Annex E prior to the date of such Holder's forfeiture.

(d) "*Register*", "*registered*", and "*registration*" shall refer to a registration effected by preparing and (A) filing a registration statement or amendment thereto in compliance with the Securities Act and applicable rules and regulations thereunder, and the declaration or ordering of effectiveness of such registration statement or amendment thereto or (B) filing a prospectus and/or prospectus supplement in respect of an appropriate effective registration statement on Form S-3.

(e) "*Registrable Securities*" means (A) all Preferred Shares and (B) any equity securities issued or issuable directly or indirectly with respect to the securities referred to in the foregoing clause (A) by way of conversion, exercise or exchange thereof, or share dividend or share split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization, *provided* that, once issued, such securities will not be Registrable Securities when (1) they are sold pursuant to an effective registration statement under the Securities Act, (2) they shall have ceased to be outstanding or (3) they have been sold in any transaction in which the transferor's rights under this Agreement are not assigned to the transferee of the securities. No Registrable Securities may be registered under more than one registration statement at any one time.

(f) "*Registration Expenses*" mean all expenses incurred by the Company in effecting any registration pursuant to this Agreement (whether or not any registration or prospectus becomes effective or final) or otherwise complying with its obligations under this Annex E, including all registration, filing and listing fees, printing expenses, fees and disbursements of counsel for the Company, blue sky fees and expenses, expenses incurred in connection with any "road show", the reasonable fees and disbursements of Holders' Counsel, and expenses of the Company's independent

accountants in connection with any regular or special reviews or audits incident to or required by any such registration, but shall not include Selling Expenses.

(g) "*Rule 144*", "*Rule 144A*", "*Rule 159A*", "*Rule 405*" and "*Rule 415*" mean, in each case, such rule promulgated under the Securities Act (or any successor provision), as the same shall be amended from time to time.

(h) "*Selling Expenses*" mean all discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities and fees and disbursements of counsel for any Holder (other than the fees and disbursements of Holders' Counsel included in Registration Expenses).

(i) "*Special Registration*" means the registration of (A) equity securities and/or options or other rights in respect thereof solely registered on Form S-4 or Form S-8 (or successor form) or (B) shares of equity securities and/or options or other rights in respect thereof to be offered to directors, members of management, employees, consultants, customers, lenders or vendors of the Company or Company Subsidiaries or in connection with dividend reinvestment plans.

2. Registration.

(a) The Company covenants and agrees that as promptly as practicable after the date that the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act (and in any event no later than 30 days thereafter), the Company shall prepare and file with the SEC a Shelf Registration Statement covering all Registrable Securities (or otherwise designate an existing shelf registration on an appropriate form under Rule 415 under the Securities Act (a "*Shelf Registration Statement*") filed with the SEC to cover the Registrable Securities), and, to the extent the Shelf Registration Statement has not theretofore been declared effective or is not automatically effective upon such filing, the Company shall use reasonable best efforts to cause such Shelf Registration Statement to be declared or become effective and to keep such Shelf Registration Statement continuously effective and in compliance with the Securities Act and usable for resale of such Registrable Securities for a period from the date of its initial effectiveness until such time as there are no Registrable Securities remaining (including by refiling such Shelf Registration Statement (or a new Shelf Registration Statement) if the initial Shelf Registration Statement expires). Notwithstanding the foregoing, if the Company is not eligible to file a registration statement on Form S-3, then the Company shall not be obligated to file a Shelf Registration Statement unless and until requested to do so in writing by Treasury.

(b) Any registration pursuant to Section 2(a) of this Annex E shall be effected by means of a Shelf Registration Statement on an appropriate form under Rule 415 under the Securities Act (a "*Shelf Registration Statement*"). If any Holder intends to distribute any Registrable Securities by means of an underwritten offering it shall promptly so advise the Company and the Company shall take all reasonable steps to facilitate such distribution, including the actions required pursuant to Section 2(d) of this Annex E; *provided* that the Company shall not be required to facilitate an underwritten offering of Registrable Securities unless (i) the expected gross proceeds from such offering exceed $200,000 or (ii) such underwritten offering includes all of the outstanding

Registrable Securities held by such Holder. The lead underwriters in any such distribution shall be selected by the Holders of a majority of the Registrable Securities to be distributed.

(c) The Company shall not be required to effect a registration (including a resale of Registrable Securities from an effective Shelf Registration Statement) or an underwritten offering pursuant to Section 2 of this Annex E: (A) with respect to securities that are not Registrable Securities; or (B) if the Company has notified all Holders that in the good faith judgment of the Board of Directors, it would be materially detrimental to the Company or its security holders for such registration or underwritten offering to be effected at such time, in which event the Company shall have the right to defer such registration for a period of not more than 45 days after receipt of the request of any Holder; *provided* that such right to delay a registration or underwritten offering shall be exercised by the Company (1) only if the Company has generally exercised (or is concurrently exercising) similar black-out rights against holders of similar securities that have registration rights and (2) not more than three times in any 12-month period and not more than 90 days in the aggregate in any 12-month period.

(d) If during any period when an effective Shelf Registration Statement is not available, the Company proposes to register any of its equity securities, other than a registration pursuant to Section 2(a) of this Annex E or a Special Registration, and the registration form to be filed may be used for the registration or qualification for distribution of Registrable Securities, the Company will give prompt written notice to all Holders of its intention to effect such a registration (but in no event less than ten days prior to the anticipated filing date) and will include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within ten business days after the date of the Company's notice (a "*Piggyback Registration*"). Any such person that has made such a written request may withdraw its Registrable Securities from such Piggyback Registration by giving written notice to the Company and the managing underwriter, if any, on or before the fifth business day prior to the planned effective date of such Piggyback Registration. The Company may terminate or withdraw any registration under this Section 2(d) of this Annex E prior to the effectiveness of such registration, whether or not any Holders have elected to include Registrable Securities in such registration.

(e) If the registration referred to in Section 2(d) of this Annex E is proposed to be underwritten, the Company will so advise all Holders as a part of the written notice given pursuant to Section 2(d) of this Annex E. In such event, the right of all Holders to registration pursuant to Section 2 of this Annex E will be conditioned upon such persons' participation in such underwriting and the inclusion of such person's Registrable Securities in the underwriting if such securities are of the same class of securities as the securities to be offered in the underwritten offering, and each such person will (together with the Company and the other persons distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company; *provided* that Treasury (as opposed to other Holders) shall not be required to indemnify any person in connection with any registration. If any participating person disapproves of the terms of the underwriting, such person may elect to withdraw therefrom by written notice to the Company, the managing underwriters and Treasury (if Treasury is participating in the underwriting).

(f) If either (x) the Company grants "piggyback" registration rights to one or more third parties to include their securities in an underwritten offering under the Shelf Registration Statement pursuant to Section 2(b) of this Annex E or (y) a Piggyback Registration under Section 2(d) of this Annex E relates to an underwritten offering on behalf of the Company, and in either case the managing underwriters advise the Company that in their reasonable opinion the number of securities requested to be included in such offering exceeds the number which can be sold without adversely affecting the marketability of such offering (including an adverse effect on the per share offering price), the Company will include in such offering only such number of securities that in the reasonable opinion of such managing underwriters can be sold without adversely affecting the marketability of the offering (including an adverse effect on the per share offering price), which securities will be so included in the following order of priority: (A) first, in the case of a Piggyback Registration under Section 2(d) of this Annex E, the securities the Company proposes to sell, (B) then the Registrable Securities of all Holders who have requested inclusion of Registrable Securities pursuant to Section 2(b) or Section 2(d) of this Annex E, as applicable, *pro rata* on the basis of the aggregate number of such securities or shares owned by each such Holder and (C) lastly, any other securities of the Company that have been requested to be so included, subject to the terms of this Agreement; *provided*, *however*, that if the Company has, prior to the Signing Date, entered into an agreement with respect to its securities that is inconsistent with the order of priority contemplated hereby then it shall apply the order of priority in such conflicting agreement to the extent that it would otherwise result in a breach under such agreement.

3. Expenses of Registration. All Registration Expenses incurred in connection with any registration, qualification or compliance hereunder shall be borne by the Company. All Selling Expenses incurred in connection with any registrations hereunder shall be borne by the holders of the securities so registered *pro rata* on the basis of the aggregate offering or sale price of the securities so registered.

4. Obligations of the Company. Whenever required to effect the registration of any Registrable Securities or facilitate the distribution of Registrable Securities pursuant to an effective Shelf Registration Statement, the Company shall, as expeditiously as reasonably practicable:

(a) Prepare and file with the SEC a prospectus supplement or post-effective amendment with respect to a proposed offering of Registrable Securities pursuant to an effective registration statement, subject to Section 4 of this Annex E, keep such registration statement effective and keep such prospectus supplement current until the securities described therein are no longer Registrable Securities.

(b) Prepare and file with the SEC such amendments and supplements to the applicable registration statement and the prospectus or prospectus supplement used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.

(c) Furnish to the Holders and any underwriters such number of copies of the applicable registration statement and each such amendment and supplement thereto (including in each case all exhibits) and of a prospectus, including a preliminary prospectus, in conformity with

the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned or to be distributed by them.

(d) Use its reasonable best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders or any managing underwriter(s), to keep such registration or qualification in effect for so long as such registration statement remains in effect, and to take any other action which may be reasonably necessary to enable such seller to consummate the disposition in such jurisdictions of the securities owned by such Holder; *provided* that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions.

(e) Notify each Holder of Registrable Securities at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the applicable prospectus, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing.

(f) Give written notice to the Holders:

(i) when any registration statement or any amendment thereto has been filed with the SEC (except for any amendment effected by the filing of a document with the SEC pursuant to the Exchange Act) and when such registration statement or any post-effective amendment thereto has become effective;

(ii) of any request by the SEC for amendments or supplements to any registration statement or the prospectus included therein or for additional information;

(iii) of the issuance by the SEC of any stop order suspending the effectiveness of any registration statement or the initiation of any proceedings for that purpose;

(iv) of the receipt by the Company or its legal counsel of any notification with respect to the suspension of the qualification of the applicable Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose;

(v) of the happening of any event that requires the Company to make changes in any effective registration statement or the prospectus related to the registration statement in order to make the statements therein not misleading (which notice shall be accompanied by an instruction to suspend the use of the prospectus until the requisite changes have been made); and

(vi) if at any time the representations and warranties of the Company contained in any underwriting agreement contemplated by Section 4(j) of this Annex E cease to be true and correct.

(g) Use its reasonable best efforts to prevent the issuance or obtain the withdrawal of any order suspending the effectiveness of any registration statement referred to in Section 4(f)(iii) of this Annex E at the earliest practicable time.

(h) Upon the occurrence of any event contemplated by Section 4(e) or 4(f)(v) of this Annex E, promptly prepare a post-effective amendment to such registration statement or a supplement to the related prospectus or file any other required document so that, as thereafter delivered to the Holders and any underwriters, the prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Company notifies the Holders in accordance with Section 4(f)(v) to suspend the use of the prospectus until the requisite changes to the prospectus have been made, then the Holders and any underwriters shall suspend use of such prospectus and use their reasonable best efforts to return to the Company all copies of such prospectus (at the Company's expense) other than permanent file copies then in such Holders' or underwriters' possession. The total number of days that any such suspension may be in effect in any 12-month period shall not exceed 90 days.

(i) Use reasonable best efforts to procure the cooperation of the Company's transfer agent in settling any offering or sale of Registrable Securities, including with respect to the transfer of physical stock certificates into book-entry form in accordance with any procedures reasonably requested by the Holders or any managing underwriter(s).

(j) If an underwritten offering is requested pursuant to Section 2(b) of this Annex E, enter into an underwriting agreement in customary form, scope and substance and take all such other actions reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith or by the managing underwriter(s), if any, to expedite or facilitate the underwritten disposition of such Registrable Securities, and in connection therewith in any underwritten offering (including making members of management and executives of the Company available to participate in "road shows", similar sales events and other marketing activities), (A) make such representations and warranties to the Holders that are selling stockholders and the managing underwriter(s), if any, with respect to the business of the Company and its subsidiaries, and the Shelf Registration Statement, prospectus and documents, if any, incorporated or deemed to be incorporated by reference therein, in each case, in customary form, substance and scope, and, if true, confirm the same if and when requested, (B) use its reasonable best efforts to furnish the underwriters with opinions of counsel to the Company, addressed to the managing underwriter(s), if any, covering the matters customarily covered in such opinions requested in underwritten offerings, (C) use its reasonable best efforts to obtain "cold comfort" letters from the independent certified public accountants of the Company (and, if necessary, any other independent certified public accountants of any business acquired by the Company for which financial statements and financial data are included in the Shelf Registration Statement) who have certified the financial statements included in such Shelf Registration Statement, addressed to each of the managing underwriter(s), if any, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters, (D) if an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures customary in underwritten offerings (*provided* that Treasury shall not be obligated to provide any indemnity), and (E) deliver such

documents and certificates as may be reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith, their counsel and the managing underwriter(s), if any, to evidence the continued validity of the representations and warranties made pursuant to clause (A) above and to evidence compliance with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company.

(k) Make available for inspection by a representative of Holders that are selling stockholders, the managing underwriter(s), if any, and any attorneys or accountants retained by such Holders or managing underwriter(s), at the offices where normally kept, during reasonable business hours, financial and other records, pertinent corporate documents and properties of the Company, and cause the officers, directors and employees of the Company to supply all information in each case reasonably requested (and of the type customarily provided in connection with due diligence conducted in connection with a registered public offering of securities) by any such representative, managing underwriter(s), attorney or accountant in connection with such Shelf Registration Statement.

(l) Use reasonable best efforts to cause all such Registrable Securities to be listed on each national securities exchange on which similar securities issued by the Company are then listed or, if no similar securities issued by the Company are then listed on any national securities exchange, use its reasonable best efforts to cause all such Registrable Securities to be listed on such securities exchange as Treasury may designate.

(m) If requested by Holders of a majority of the Registrable Securities being registered and/or sold in connection therewith, or the managing underwriter(s), if any, promptly include in a prospectus supplement or amendment such information as the Holders of a majority of the Registrable Securities being registered and/or sold in connection therewith or managing underwriter(s), if any, may reasonably request in order to permit the intended method of distribution of such securities and make all required filings of such prospectus supplement or such amendment as soon as practicable after the Company has received such request.

(n) Timely provide to its security holders earning statements satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder.

5. Suspension of Sales. Upon receipt of written notice from the Company that a registration statement, prospectus or prospectus supplement contains or may contain an untrue statement of a material fact or omits or may omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that circumstances exist that make inadvisable use of such registration statement, prospectus or prospectus supplement, each Holder of Registrable Securities shall forthwith discontinue disposition of Registrable Securities until such Holder has received copies of a supplemented or amended prospectus or prospectus supplement, or until such Holder is advised in writing by the Company that the use of the prospectus and, if applicable, prospectus supplement may be resumed, and, if so directed by the Company, such Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Holder's possession, of the prospectus and, if applicable, prospectus supplement covering such Registrable Securities current at the time of receipt of such notice. The total number of days that any such suspension may be in effect in any 12-month period shall not exceed 90 days.

6. Termination of Registration Rights. A Holder's registration rights as to any securities held by such Holder (and its Affiliates, partners, members and former members) shall not be available unless such securities are Registrable Securities.

7. Furnishing Information.

(a) No Holder shall use any free writing prospectus (as defined in Rule 405) in connection with the sale of Registrable Securities without the prior written consent of the Company.

(b) It shall be a condition precedent to the obligations of the Company to take any action pursuant to Section 4 of this Annex E that the selling Holders and the underwriters, if any, shall furnish to the Company such information regarding themselves, the Registrable Securities held by them and the intended method of disposition of such securities as shall be required to effect the registered offering of their Registrable Securities.

8. Indemnification.

(a) The Company agrees to indemnify each Holder and, if a Holder is a person other than an individual, such Holder's officers, directors, employees, agents, representatives and Affiliates, and in the case of Treasury, Treasury's officials, and each person, if any, that controls a Holder within the meaning of the Securities Act (each, an "*Indemnitee*"), against any and all losses, claims, damages, actions, liabilities, costs and expenses (including reasonable fees, expenses and disbursements of attorneys and other professionals incurred in connection with investigating, defending, settling, compromising or paying any such losses, claims, damages, actions, liabilities, costs and expenses), joint or several, arising out of or based upon any untrue statement or alleged untrue statement of material fact contained in any registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto or any documents incorporated therein by reference or contained in any free writing prospectus (as such term is defined in Rule 405) prepared by the Company or authorized by it in writing for use by such Holder (or any amendment or supplement thereto); or any omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided*, that the Company shall not be liable to such Indemnitee in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon (A) an untrue statement or omission made in such registration statement, including any such preliminary prospectus or final prospectus contained therein or any such amendments or supplements thereto or contained in any free writing prospectus (as such term is defined in Rule 405) prepared by the Company or authorized by it in writing for use by such Holder (or any amendment or supplement thereto), in reliance upon and in conformity with information regarding such Indemnitee or its plan of distribution or ownership interests which was furnished in writing to the Company by such Indemnitee for use in connection with such registration statement, including any such preliminary prospectus or final prospectus contained therein or any such amendments or supplements thereto, or (B) offers or sales effected by or on behalf of such Indemnitee "by means of" (as defined in Rule 159A) a "free writing prospectus" (as defined in Rule 405) that was not authorized in writing by the Company.

(b) If the indemnification provided for in Section 8(a) of this Annex E is unavailable to an Indemnitee with respect to any losses, claims, damages, actions, liabilities, costs or expenses referred to therein or is insufficient to hold the Indemnitee harmless as contemplated therein, then the Company, in lieu of indemnifying such Indemnitee, shall contribute to the amount paid or payable by such Indemnitee as a result of such losses, claims, damages, actions, liabilities, costs or expenses in such proportion as is appropriate to reflect the relative fault of the Indemnitee, on the one hand, and the Company, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, actions, liabilities, costs or expenses as well as any other relevant equitable considerations. The relative fault of the Company, on the one hand, and of the Indemnitee, on the other hand, shall be determined by reference to, among other factors, whether the untrue statement of a material fact or omission to state a material fact relates to information supplied by the Company or by the Indemnitee and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission; the Company and each Holder agree that it would not be just and equitable if contribution pursuant to this Section 8(b) of this Annex E were determined by *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 8(a) of this Annex E. No Indemnitee guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from the Company if the Company was not guilty of such fraudulent misrepresentation.

9. Assignment of Registration Rights. The rights of Treasury to registration of Registrable Securities pursuant to Section 2 of this Annex E may be assigned by Treasury to a transferee or assignee of Registrable Securities; *provided*, *however*, the transferor shall, within ten days after such transfer, furnish to the Company written notice of the name and address of such transferee or assignee and the number and type of Registrable Securities that are being assigned.

10. Clear Market. With respect to any underwritten offering of Registrable Securities by Holders pursuant to this Annex E, the Company agrees not to effect (other than pursuant to such registration or pursuant to a Special Registration) any public sale or distribution, or to file any Shelf Registration Statement (other than such registration or a Special Registration) covering any preferred stock of the Company or any securities convertible into or exchangeable or exercisable for preferred stock of the Company, during the period not to exceed ten days prior and 60 days following the effective date of such offering or such longer period up to 90 days as may be requested by the managing underwriter for such underwritten offering. The Company also agrees to cause such of its directors and senior executive officers to execute and deliver customary lock-up agreements in such form and for such time period up to 90 days as may be requested by the managing underwriter.

11. Forfeiture of Rights. At any time, any holder of Registrable Securities (including any Holder) may elect to forfeit its rights set forth in this Annex E from that date forward; *provided*, that a Holder forfeiting such rights shall nonetheless be entitled to participate under Section 2(d) – (f) of this Annex E in any Pending Underwritten Offering to the same extent that such Holder would have been entitled to if the Holder had not withdrawn; and *provided*, *further*, that no such forfeiture shall terminate a Holder's rights or obligations under Section 7 of this Annex E with respect to any prior registration or Pending Underwritten Offering.

12. Specific Performance. The parties hereto acknowledge that there would be no adequate remedy at law if the Company fails to perform any of its obligations under this Annex E and that Holders from time to time may be irreparably harmed by any such failure, and accordingly agree that such Holders, in addition to any other remedy to which they may be entitled at law or in equity, to the fullest extent permitted and enforceable under applicable law shall be entitled to compel specific performance of the obligations of the Company under this Annex E in accordance with the terms and conditions of this Annex E.

13. No Inconsistent Agreements. The Company shall not, on or after the Signing Date, enter into any agreement with respect to its securities that may impair the rights granted to Holders under this Annex E or that otherwise conflicts with the provisions hereof in any manner that may impair the rights granted to Holders under this Annex E. In the event the Company has, prior to the Signing Date, entered into any agreement with respect to its securities that is inconsistent with the rights granted to Holders under this Annex E (including agreements that are inconsistent with the order of priority contemplated by Section 2(f) of Annex E) or that may otherwise conflict with the provisions hereof, the Company shall use its reasonable best efforts to amend such agreements to ensure they are consistent with the provisions of this Annex E.

14. Certain Offerings by Treasury. An “underwritten” offering or other disposition shall include any distribution of such securities on behalf of Treasury by one or more broker-dealers, an “underwriting agreement” shall include any purchase agreement entered into by such broker-dealers, and any “registration statement” or “prospectus” shall include any offering document approved by the Company and used in connection with such distribution.

ANNEX F
FORM OF CERTIFICATE OF DESIGNATION

[SEE ATTACHED]

OFFICER'S CERTIFICATE

OF

[COMPANY]

In connection with that certain Securities Purchase Agreement, dated [_____], 2011 (the "*Agreement*") by and between [COMPANY] (the "*Company*") and the Secretary of the Treasury, the undersigned does hereby certify as follows:

1. I am a duly elected/appointed [_____] of the Company.

2. The representations and warranties of the Company set forth in Article II of Annex C of the Agreement are true and correct in all respects as though as of the date hereof (other than representations and warranties that by their terms speak as of another date, which representations and warranties shall be true and correct in all respects as of such other date) and the Company has performed in all material respects all obligations required to be performed by it under the Agreement.

3. The Certificate of Designation, a true, complete and correct copy of which is attached as Exhibit A hereto, has been filed with, and accepted by, the Secretary of State of the State of [_____].

The foregoing certifications are made and delivered as of [_____] pursuant to Section 1.3 of Annex C of the Agreement.

Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Officer's Certificate has been duly executed and delivered as of the [__] day of [_____], 2011.

[COMPANY]

By: _____

Name:
Title:

EXHIBIT A

ANNEX H
FORM OF SUPPLEMENTAL REPORTS

[INTENTIONALLY OMITTED]

[SEE ATTACHED FORM OF QUARTERLY SUPPLEMENTAL REPORT]

ANNUAL CERTIFICATION

OF

[**COMPANY**]

In connection with that certain Securities Purchase Agreement, dated **[_____]**, 2011 (the "*Agreement*") by and between **[**COMPANY**]** (the "*Company*") and the Secretary of the Treasury ("*Treasury*"), the undersigned does hereby certify as follows:

1. I am a duly elected/appointed **[_____]** of the Company.

2. For each loan originated by the Company or any of its Affiliates that was funded in whole or in part using funds from the Purchase Price, the Company has obtained from the business to which it made such loan a written certification that no principal of such business has been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act, 42 U.S.C. §16911). The Company shall retain all such certifications in accordance with standard recordkeeping practices established by the Appropriate Federal Banking Agency.

3. The Company is in compliance with the requirements of Section 103.121 of title 31, Code of Federal Regulations.

The foregoing certifications are made and delivered as of **[_____]** pursuant to Section 3.1(d)(iii) of Annex C of the Agreement.

Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Certificate has been duly executed and delivered as of the **[__]** day of **[_____]**, 20**[__]**.

[COMPANY]

By: _____

Name:

Title:

(a) The Company has been duly formed and is validly existing as a **[TYPE OF ORGANIZATION]** and is in good standing under the laws of the jurisdiction of its organization. The Company has all necessary power and authority to own, operate and lease its properties and to carry on its business as it is being conducted.

(b) The Company has been duly qualified as a foreign entity for the transaction of business and is in good standing under the laws of **[_____]**, **[_____]** and **[_____]**.

(c) The Preferred Shares have been duly and validly authorized, and, when issued and delivered pursuant to the Agreement, the Preferred Shares will be duly and validly issued and fully paid and non-assessable, will not be issued in violation of any preemptive rights, and will rank *pari passu* with or senior to all other series or classes of Preferred Stock issued on the Closing Date with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Company.

(d) The Company has the corporate power and authority to execute and deliver the Agreement and to carry out its obligations thereunder (which includes the issuance of the Preferred Shares).

(e) The execution, delivery and performance by the Company of the Agreement and the consummation of the transactions contemplated thereby have been duly authorized by all necessary corporate action on the part of the Company and its stockholders, and no further approval or authorization is required on the part of the Company, including, without limitation, by any rule or requirement of any national stock exchange.

(f) The Agreement is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general equitable principles, regardless of whether such enforceability is considered in a proceeding at law or in equity.

(g) The execution and delivery by the Company of this Agreement and the performance by the Company of its obligations thereunder (i) do not require any approval by any Governmental Entity to be obtained on the part of the Company, except those that have been obtained, (ii) do not violate or conflict with any provision of the Charter, (iii) do not violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration of, or result in the creation of, any lien, security interest, charge or encumbrance upon any of the properties or assets of the Company or any Company Subsidiary under any of the terms, conditions or provisions of its

organizational documents or under any agreement, contract, indenture, lease, mortgage, power of attorney, evidence of indebtedness, letter of credit, license, instrument, obligation, purchase or sales order, or other commitment, whether oral or written, to which it is a party or by which it or any of its properties is bound or (iv) do not conflict with, breach or result in a violation of, or default under any judgment, decree or order known to us that is applicable to the Company and, pursuant to any applicable laws, is issued by any Governmental Entity having jurisdiction over the Company.

(h) Other than the filing of the Certificate of Designation with the [Secretary of State] of its jurisdiction of organization or other applicable Governmental Entity, such filings and approvals as are required to be made or obtained under any state "blue sky" laws and such consents and approvals that have been made or obtained, no notice to, filing with, exemption or review by, or authorization, consent or approval of, any Governmental Entity is required to be made or obtained by the Company in connection with the consummation by the Company of the Purchase.

(i) The Company is not nor, after giving effect to the issuance of the Preferred Shares pursuant to the Agreement, would be on the date hereof an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended.

ANNEX K
FORM OF REPAYMENT DOCUMENT

UNITED STATES DEPARTMENT OF THE TREASURY
1500 PENNSYLVANIA AVENUE, NW
WASHINGTON, D.C. 20220

Dear Ladies and Gentlemen:

Reference is made to that certain Letter Agreement incorporating the Securities Purchase Agreement – Standard Terms (the "*Securities Purchase Agreement*"), dated as of the date set forth on Schedule A hereto, between the United States Department of the Treasury (the "*Investor*") and the company set forth on Schedule A hereto (the "*Company*"). Capitalized terms used but not defined herein shall have the meanings assigned to them in the Securities Purchase Agreement. Pursuant to the Securities Purchase Agreement, at the Closing, the Company issued to the Investor the number of shares of the series of its preferred stock set forth on Schedule A hereto (the "*Preferred Shares*") and a warrant (the "*Warrant*") to purchase the number of shares of the series of its preferred stock set forth on Schedule A hereto (such shares, the "*Warrant Shares*"), which was exercised by the Investor at Closing.

In connection with the consummation of the repurchase (the "*Repurchase*") by the Company from the Investor, on the date hereof, of the number of Preferred Shares listed on Schedule A hereto (the "*Repurchased Preferred Shares*") and the number of Warrant Shares listed on Schedule A hereto (the "*Repurchased Warrant Shares*"), as permitted by the Emergency Economic Stabilization Act of 2008, as amended by the American Recovery and Reinvestment Act of 2009:

(a) The Company hereby acknowledges receipt from the Investor of the share certificate(s) set forth on Schedule A hereto representing the Preferred Shares; [and]

(b) The Investor hereby acknowledges receipt from the Company of a wire transfer for the account of the Investor in immediately available funds of the aggregate purchase price set forth on Schedule A hereto, representing payment in full for the Repurchased Preferred Shares at a price per share equal to the Liquidation Amount per share, together with any accrued and unpaid dividends to, but excluding, the date hereof;

(c) The Company hereby acknowledges receipt from the Investor of the share certificate(s) set forth on Schedule A hereto representing the Warrant Shares; and

(d) The Investor hereby acknowledges receipt from the Company of a wire transfer for the account of the Investor in immediately available funds of the aggregate purchase price set forth on Schedule A hereto, representing payment in full for the Repurchased Warrant Shares at a price per share equal to the Liquidation Amount per share, together with any accrued and unpaid dividends to, but excluding, the date hereof.

This letter agreement will be governed by and construed in accordance with the federal law of the United States if and to the extent such law is applicable, and otherwise in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State.

This letter agreement may be executed in any number of separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts will together constitute the same agreement. Executed signature pages to this letter agreement may be delivered by facsimile and such facsimiles will be deemed sufficient as if actual signature pages had been delivered

[*Remainder of this page intentionally left blank*]

In witness whereof, the parties have duly executed this letter agreement as of the date first written above.

UNITED STATES DEPARTMENT OF THE TREASURY

By: _____

Name:

Title:

COMPANY: _____

By: _____

Name:

Title:

SCHEDULE A

General Information:

Date of Letter Agreement incorporating the Securities Purchase Agreement:

Name of the Company:

Corporate or other organizational form of the Company:

Jurisdiction of organization of the Company:

Number and series of preferred stock issued to the Investor at the Closing (Preferred Shares):

Number and series of preferred stock underlying the Warrant issued to the Investor at the Closing (Warrant Shares):

Terms of the Repurchase of Preferred Shares:

Number of Preferred Shares purchased by the Company:

Share certificate number (representing the Preferred Shares previously issued to the Investor at the Closing):

Per share Liquidation Amount of Preferred Shares:

Accrued and unpaid dividends on Preferred Shares:

Aggregate purchase price for Repurchased Preferred Shares:

Terms of the Repurchase of the Warrant Shares:

Number of Warrant Shares purchased by the Company:

Share certificate (representing the Warrant Shares previously issued to the Investor at the Closing):

Per share Liquidation Amount of Warrant Shares:

Accrued and unpaid dividends on Warrant Shares;

Aggregate purchase price for Repurchased Warrant Shares:

Investor wire information for payment of purchase price:

ABA Number:
Bank:
Account Name:
Account Number:
Beneficiary:

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement **("Agreement")** is dated as of November 9, 2012, by and among Community Trust Financial Corporation, a Louisiana corporation **("Company"),** on the one hand, and Pine Brook Capital Partners, L.P ., a Delaware limited partnership, Pine Brook Capital Partners (SSP Offshore) II, L.P ., a Cayman Islands exempted limited partnership, and Pine Brook Capital Partners (Cayman), L.P., a Cayman Islands exempted limited partnership, on the other hand (each, an **"Individual Purchaser"** and collectively, the **"Purchaser").**

RECITALS

A. The authorized capital stock of the Company consists of (i) 50,000,000 shares of common stock, $5.00 par value per share **("Common Stock"),** of which 6,616,565 shares are issued and 6,612,196 shares are outstanding, and (ii) 1,000,000 shares of preferred stock **("Preferred Stock"),** no par value per share, of which 48,260 are issued and outstanding.

B. The Company desires to issue and sell to the Purchaser, and the Purchaser desires to purchase from the Company, in a private offering of the Company's capital stock **("Private Placement")** that is exempt from registration under Section 4(2) of the Securities Act of 1933, as amended (the **"Securities Act"),** and Rule 506 of Regulation D **("Regulation D")** promulgated by the Securities and Exchange Commission **("Commission")** under the Securities Act, an aggregate of (i) 810,811 shares of Common Stock, at a purchase price of $37.00 per share, and (ii) 405,406 shares of a newly created class of nonvoting convertible Preferred Stock, no par value per share (the **"Nonvoting Preferred Stock"),** at a purchase price of $37.00 per share, at an aggregate purchase price for the shares of Common Stock and Nonvoting Preferred Stock equal to $45,000,029. The Private Placement shall include the sale of additional shares of Common Stock to other accredited investors in the Private Placement (the **"Other Purchasers"),** with the closing of such sales to occur simultaneously with the Closing. The sales to the Other Purchasers will be made pursuant to separate securities purchase agreements with the Other Purchasers (the **"Other Purchase Agreements").**

C. The Company has engaged Stephens Inc. as its exclusive placement agent (the **"Placement Agent")** for the Private Placement.

D. Contemporaneously with the execution and delivery of this Agreement, the parties hereto are executing and delivering a Registration Rights Agreement, substantially in the form attached hereto as Exhibit E (the **"Registration Rights Agreement"** and, together with this Agreement and the Other Purchase Agreements, the **"Transaction Documents"),** pursuant to which, among other things, the Company will agree to provide certain registration rights with respect to the Shares under the Securities Act and the rules and regulations promulgated thereunder and applicable state securities laws.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and Purchaser hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms shall have the meanings indicated in this Section 1.1:

"Action" means any inquiry, notice of violation or Proceeding pending or, to the Company's Knowledge, threatened in writing against the Company, any Subsidiary or any of their respective properties or any officer, director or employee of the Company or any Subsidiary acting in his or her capacity as an officer, director or employee before or by any Governmental Authority.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, is controlled by or is under common control with such Person.

"Agency" has the meaning set forth in Section 3.1(gg).

"Agreement" has the meaning set forth in the Preamble.

"Approved Share Plan" means (i) any employee benefit plan which has been approved by the Board of Directors prior to or subsequent to the date hereof pursuant to which standard options to purchase Common Stock (and Common Stock issuable upon exercise thereof) or shares of restricted Common Stock may be issued to any employee, officer, consultants or director for services provided to the Company or any of its Subsidiaries in their capacity as such, or (ii) any current or future Company- or Bank- sponsored rabbi trust that has been created for the purpose of supporting the nonqualified benefit obligations of the Company and its Subsidiaries.

"Audited Financial Statements" has the meaning set forth in Section 3.l(i).

"Bank" means Community Trust Bank, a Louisiana state bank and wholly-owned Subsidiary of the Company.

"Bank Board" has the meaning set forth in Section 4.15(a).

"Bank Regulatory Authorities" has the meaning set forth in Section 3 .1 (b)(ii).

"BHC Act" has the meaning set forth in Section 3.1(b)(ii).

"BHC Act Control" has the meaning set forth in Section 3.1(rr).

"Board of Directors" means the Board of Directors of the Company.

"Burdensome Condition" has the meaning set forth in Section 5.l(g).

"**Business Day**" means any day other than a Saturday or a Sunday or a day on which Louisiana state banks are authorized or required by Law or executive order to close.

"**Certificate of Designation**" means the Certificate of Designation, Preferences and Rights of the Nonvoting Preferred Stock, in the form attached hereto as Exhibit F.

"**CIBC Act**" means the Change in Bank Control Act of 1978, as amended.

"**Closing**" means the closing of the purchase and sale of the Shares pursuant to this Agreement.

"**Closing Date**" means the date of the Closing.

"**Code**" means the Internal Revenue Code of 1986, as amended, including the regulations and published interpretations thereunder.

"**Commission**" has the meaning set forth in the Recitals.

"**Common Stock**" has the meaning set forth in the Recitals.

"**Company**" has the meaning set forth in the Preamble.

"**Company Counsel**" means Jones, Walker, Waechter, Poitevent, Carrere & Denegre L.L.P.

"**Company Deliverables**" has the meaning set forth in Section 2.3(a).

"**Company Reports**" has the meaning set forth in Section 3.l(h).

"**Company Securities**" means the Common Stock, the Preferred Stock (including the Nonvoting Preferred Stock), any other equity or equity-linked security issued by the Company and securities, options, warrants or other rights convertible into or exercisable or exchangeable (or entitling the holder thereof to subscribe for) for Common Stock or Preferred Stock or any other equity or equity-linked security issued by the Company.

"**Company's Knowledge**" means, with respect to any statement made to the knowledge of the Company, that the statement is based upon the actual knowledge, after reasonable inquiry, of any of the following executive officers of the Company: Chief Executive Officer, Chief Financial Officer, Chief Risk Officer or Chief Operating Officer.

"**Confidential Information**" means information about the Company and its Subsidiaries provided to the Purchaser by the Company, the Bank or their Representatives, including, without limitation, the information provided to the Purchaser pursuant to Section 4.6 hereof, except that "Confidential Information" does not include any information that (i) was publicly available prior to the date of this Agreement or hereafter becomes publicly available without any violation of this Agreement by the Purchaser or any of its Representatives, (ii) was available to the Purchaser or its Representatives on a non-confidential basis prior to its disclosure to the Purchaser or its Representatives by the Company, the Bank or their Representatives or (iii) becomes available to the Purchaser or it Representatives from a Person other than the Company, the Bank or their Representatives who is not, to the Purchaser's or its Representative's knowledge, subject to any legally binding obligation to keep such information confidential.

"Constituent Documents" means, with respect to any entity, its articles or certificate of incorporation, bylaws, and any similar charter or other organizational documents of such entity.

"Control" (including the terms "controlling", "controlled by" or "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Environmental Laws" has the meaning set forth in Section 3.1(1).

"ERIS A" has the meaning set forth in Section 3.1(ii).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Exercise Notice" has the meaning set forth in Section 4.16(c).

"Expedited Issuance" has the meaning set forth in Section 4.16(g).

"FDIC" has the meaning set forth in Section 3.l(b)(ii).

"Federal Reserve" has the meaning set forth in Section 3.1(b)(ii).

"Financial Statements" has the meaning set forth in Section 3.1(i).

"Fundamental Representations" means the Company's representations and warranties set forth in Sections 3.l(b)(i), 3.l(c), 3.l(f), 3.l(g), 3.l(i) and 3.l(nn).

"GAAP" means U.S. generally accepted accounting principles consistently applied over the period involved.

"Governance Committee" has the meaning set forth in Section 4.15(a).

"Governmental Authority" means any federal, state, county, local or foreign court, arbitrator, governmental or administrative agency, bureau, commission, regulatory authority, stock market, stock exchange or trading facility.

"Indemnification Claim" has the meaning set forth in Section 4.7(b).

"Indemnified Person" has the meaning set forth in Section 4.7(a).

"Individual Purchaser" has the meaning set forth in the Preamble.

"Insurer" has the meaning set forth in Section 3.1(gg).

"**Intellectual Property**" has the meaning set forth in Section 3.l(r).

"**IPO**" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

"**Issuance Notice**" has the meaning set forth in Section 4.16(b).

"**Law**" has the meaning set forth in Section 3.1(d).

"**Legend Removal Date**" has the meaning set forth in Section 4.2(c).

"**Lien**" means any lien, mortgage, deed of trust, pledge, conditional sale agreement, restriction on transfer, charge, claim, encumbrance, security interest, right of first refusal, preemptive right or other restriction of any kind.

"**Loan Investor**" has the meaning set forth in Section 3.1(gg).

"**Losses**" has the meaning set forth in Section 4.7(a).

"**Material Adverse Effect**" means any event, circumstance, change or occurrence that has had, or would reasonably be expected to have, (i) an adverse effect on the legality, validity or enforceability of this Agreement, (ii) a material and adverse effect on the operations, results of operations, assets, liabilities, properties, business, condition (financial or otherwise) or prospects of the Company and the Subsidiaries, taken as a whole, or (iii) any adverse impairment to the Company's ability to perform in any material respect on a timely basis its obligations under this Agreement.

"**Material Contract**" means any contract of the Company that is material to the condition (financial or otherwise), results of operations, assets, liabilities, properties, business, prospects or operations of the Company.

"**Material Permits**" has the meaning set forth in Section 3.1(p).

"**Money Laundering Laws**" has the meaning set forth in Section 3.1(pp).

"**New Securities**" has the meaning set forth in Section 4.15(a).

"**Nonvoting Preferred Stock**" has the meaning set forth in the Recitals.

"**Observer**" has the meaning set forth in Section 4.15(d).

"**OFAC**" has the meaning set forth in Section 3.1(aa).

"**OFI**" has the meaning set forth in Section 3.1(b)(ii).

"**Other Purchase Agreements**" has the meaning set forth in the Recitals.

"**Other Purchasers"** has the meaning set forth in the Recitals.

"**Outside Date**" has the meaning set forth in Section 2.2.

"**Person**" means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, Governmental Authority or any other form of entity or group (as defined in Section 13(d)(3) of the Exchange Act) not specifically listed herein.

"**Placement Agent**" has the meaning set forth in the Recitals.

"**Preferred Stock**" has the meaning set forth in the Recitals.

"**Private Placement**" has the meaning set forth in the Recitals.

"**Proceeding**" means a civil, criminal or administrative action, claim, litigation, suit, arbitration, hearing, investigation or other proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"**Purchase Price**" has the meaning set forth in Section 2.1.

"**Purchaser**" has the meaning set forth in the Preamble.

"**Purchaser Indemnitor**" has the meaning set forth in Section 4.15(f).

"**Purchaser Deliverables**" has the meaning set forth in Section 2.3(b).

"**Qualifying Ownership Interest**" has the meaning set forth in Section 4.14.

"**Registration Rights Agreement**" has the meaning set forth in the Recitals.

"**Regulation D**" has the meaning set forth in the Recitals.

"**Regulatory Agreement**" has the meaning set forth in Section 3.1(dd).

"**Representatives**" of any Person means the Affiliates, officers, directors, employees, members, managers, partners, attorneys, accountants, financial advisors and other agents, advisors and representatives of such Person.

"**Request**" has the meaning set forth in Section 4.15(a).

"**Required Filings**" has the meaning set forth in Section 3.1(e).

"**Rule 144**" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Shares**" has the meaning set forth in Section 2.1.

"**Statutory Representations**" means the Company's representations and warranties set forth in Sections 3.1(j), 3.1(l) and 3.1(ii).

"**Stock Certificates**" has the meaning set forth in Section 2.3(a)(i).

"**Subscription Amount**" has the meaning set forth in Section 2.1.

"**Subsidiary**" means any Person in which the Company, directly or indirectly, owns or Controls sufficient capital stock, equity or a similar interest such that it is consolidated with the Company in the financial statements of the Company.

"**Subsidiary Securities**" means any shares of capital stock or other equity securities of any Subsidiary of the Company, any options, warrants or other rights to acquire any shares of capital stock or other equity securities of any Subsidiary of the Company and any other securities convertible into or exercisable or exchangeable for (or entitling the holder thereof to subscribe for) any shares of capital stock or other equity securities of any Subsidiary of the Company.

"**Tax**" or "**Taxes**" means (i) any federal, state, local or foreign income, gross receipts, property, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or add on minimum, ad valorem, transfer or excise tax, or any other tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty, imposed by any Governmental Authority and (ii) any liability in respect of any items described in clause (i) above payable by reason of contract, assumption, transferee or successor liability,

operation of law, Treasury Regulations Section l.1502-6(a) (or any predecessor or successor thereof or analogous or similar provisions of Law) or otherwise.

"**Tax Return**" means any return, declaration, report or similar statement required to be filed with respect to any Tax (including any attached schedules), including, without limitation, any information return, claim for refund, amended return or declaration of estimated Tax.

"**Third Party Claim**" has the meaning set forth in Section 4.7(b).

"**Transfer Agent"** means Wells Fargo Shareowner Services, St. Paul, Minnesota, in its capacity as transfer agent for the Company, or any successor transfer agent for the Company.

"**Transaction Documents**" has the meaning set forth in the Preamble.

"**Treasury**" means the U.S. Department of the Treasury.

"**Unaudited Financial Statements**" has the meaning set forth in Section 3.1(i).

"**VCOC**" has the meaning set forth in Section 4.12(b).

"**VCOC Letter**" means the letter agreement to be entered into by the Company and the Other Purchaser with respect to certain VCOC matters.

"**VCOC Investor**" has the meaning set forth in Section 4.12(b).

"Voting Securities" has the meaning set forth in Section 4.16.

ARTICLE II

PURCHASE AND SALE

2.1 Purchase and Sale of the Shares. On the terms and subject to the conditions set forth in this Agreement, at the Closing, the Company agrees to issue, sell, convey and transfer to the Purchaser, and the Purchaser agrees to purchase from the Company, for its own account, free and clear of all Liens, an aggregate of 810,811 shares of Common Stock and 405,406 shares of Nonvoting Preferred Stock (collectively, the **"Shares").** The purchase price for the Shares will be $37.00 per Share **("Purchase Price"),** and the aggregate Purchase Price for the Shares will be equal to $45,000,029 **("Subscription Amount").**

2.2 Closing. Unless this Agreement has been terminated in accordance with Section 6.13, the Closing of the purchase and sale of the Shares will take place, simultaneously with the closing of the sale of shares of Common Stock to the Other Purchasers pursuant to the Other Purchase Agreements, at a time and date as shall be agreed upon by the parties hereto, but in no event later than the third (3rd) Business Day following the date on which the conditions to the Closing set forth in this Agreement shall have been satisfied or waived (other than those conditions that by their nature are to be satisfied at the Closing, but subject to fulfillment of waiver of those conditions), remotely by facsimile or electronic transmission or by such other means and at such location as the parties may mutually agree. The Company and the Purchaser agree to use all reasonable best efforts to cause the Closing to take place on or prior to December 31, 2012 (the **"Outside Date").** In the event the Closing does not take place on or prior to the Outside Date, this Agreement may be terminated with no further obligation or liability by either party hereto in accordance with Section 6.13(a)(ii); provided, however, that if the Closing does not take place on or prior to the Outside Date solely by reason of nonsatisfaction of the condition set forth in Section 5.l(i)(2), then any party may elect to extend the Outside Date until January 31, 2013 by providing written notice to the other party on or not more than three (3) Business Days prior to December 31, 2012 (and such extended date shall be the "Outside Date." Subject to the satisfaction or waiver of the conditions set forth in Sections 5.1 and 5.2, on the Closing Date, the Company will deliver to the Purchaser the Shares against payment by the Purchaser, by wire transfer of immediately available U.S. funds in accordance with the wire instructions delivered in writing to the Purchaser not later than two (2) Business Days prior to the Closing Date, equal to the Subscription Amount to a bank account designated by the Company.

2.3 Closing Deliveries.

(a) At or prior to the Closing, the Company will issue, deliver or cause to be delivered to the Purchaser (or to each Individual Purchaser, as the case may be) the following **("Company Deliverables"):**

(i) this Agreement, duly executed by the Company;

(ii) stock certificates, free and clear of all restrictive and other legends (except as expressly provided in Section 4.2(b)), evidencing the Shares to be purchased by each Individual Purchaser, which for any such Individual Purchaser shall be equal to (A) (1) the aggregate number of shares of Common Stock to be purchased by the Purchaser, *multiplied by* (2) the percentage allocation specified for such Individual Purchaser in Annex I hereto, and (B) (1) the aggregate number of shares of Nonvoting Preferred Stock to be purchased by the Purchaser, *multiplied by* (2) the percentage allocation specified for such Individual Purchaser in Annex I hereto, registered in the name of the applicable Individual Purchaser or as otherwise set forth on such Individual Purchaser's Stock Certificate Questionnaire included as Exhibit A hereto **("Stock Certificates");**

(iii) a legal opinion of Company Counsel, dated as of the Closing Date, in substantially the form attached hereto as Exhibit B, executed by such counsel and addressed to the Purchaser, which opinion shall be identical in all material respects to any opinion that may be delivered to the Other Purchasers as part of the Private Placement;

(iv) the Registration Rights Agreement, duly executed by the Company;

(v) a certificate of the Secretary of the Company, in the form attached hereto as Exhibit C, dated as of the Closing Date, (a) certifying the resolutions adopted by the Board of Directors approving the transactions contemplated by the Transaction Documents, including the issuance of the Shares under this Agreement and the shares of Common Stock under the Other Purchase Agreements, (b) certifying the current versions of the Constituent Documents of the Company, and (c) certifying as to the signatures and authority of the individuals signing the Transaction Documents and related documents on behalf of the Company;

(vi) a certificate of the Chief Executive Officer of the Company, in substantially the form attached hereto as Exhibit D, dated as of the Closing Date, certifying to the fulfillment of the conditions specified in Sections 5.l(a), 5.l(b) and 5.lG); and

(vii) a Certificate of Good Standing and a Certificate of Existence for the Company from the Louisiana Secretary of State dated as of a recent date.

(b) At or prior to the Closing, the Purchaser (or each Individual Purchaser, as the case may be) will deliver or cause to be delivered to the Company the following **("Purchaser Deliverables"):**

(i) this Agreement, duly executed by each Individual Purchaser;

(ii) the Subscription Amount, in U.S. dollars and in immediately available funds, by wire transfer in accordance with the Company's written instructions; provided that each Individual Purchaser shall so deliver its portion of the Subscription Amount in the amount specified for such individual in Annex I hereto.

(iii) the Registration Rights Agreement, duly executed by each Individual Purchaser; and

(iv) a fully completed Stock Certificate Questionnaire for each Individual Purchaser in the form attached hereto as Exhibit A.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. The Company hereby represents and warrants as of the date hereof and as of the Closing Date (except for the representations and warranties that speak as of a specific date, which are made as of such date) to the Purchaser that:

(a) Subsidiaries. The Company has no direct or indirect Subsidiaries or equity interest in any other Person other than as set forth on Schedule 3.1(a). The Company owns, directly or indirectly, all of the capital stock or comparable equity interests of each Subsidiary free and clear of any and all Liens, and all the issued and outstanding shares of capital stock or comparable equity interests of each Subsidiary are validly issued and are fully paid, nonassessable (except to the extent that stock of an Louisiana state bank may be assessable under La R.S. 6:262) and free of preemptive and similar rights to subscribe for or purchase securities.

(b) Organization and Qualification; Bank Regulations.

(i) Each of the Company and its Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization (as applicable), with the requisite power and authority to own or lease and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any of its Subsidiaries is in violation of any of the provisions of their respective Constituent Documents. Each of the Company and its Subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, has not had and would not reasonably be expected to have a Material Adverse Effect.

(ii) The Company is duly registered as a bank holding company under the Bank Holding Company Act of 1956, as amended (the **"BHC Act").** The Company has also made an election to become and is a financial holding company pursuant to Section 4(k) and (1) of the BHC Act. The Bank holds the requisite authority from the Louisiana Office of Financial Institutions (the **"OFI")** to do business as an Louisiana state bank under the Laws of the State of Louisiana. The Company and its Subsidiaries are in compliance with all Laws administered by the Board of Governors of the Federal Reserve System (the **"Federal Reserve"),** the Federal Deposit Insurance Corporation (the **"FDIC"),** the OFI and any other federal or state bank regulatory authorities (together with the OFI, the Federal Reserve and the FDIC, the **"Bank Regulatory Authorities")** with jurisdiction over the Company and its Subsidiaries, except for any noncompliance that, individually or in the aggregate, has not had and would not be reasonably expected to have a Material Adverse Effect. The deposit accounts of the Bank are insured up to applicable limits by the FDIC, and all premiums and assessments required to be paid in connection therewith have been paid when due; and no proceedings for the termination or revocation of deposit insurance are pending or, to the Company's Knowledge, threatened. The Bank has the full power and authority to own or lease all of the assets or properties owned or leased by it and to conduct its business in all material respects.

(c) Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and to consummate the transactions contemplated hereby and thereby, and otherwise to carry out its obligations hereunder and thereunder, including, without limitation, to issue the Shares in accordance with the terms hereof. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement, and the consummation by the Company of the transactions contemplated hereby and thereby (including, but not limited to, the sale and delivery of the Shares), have been duly authorized by all necessary corporate action on the part of the Company and its Board of Directors, and no further corporate action is required by the Company, its Board of Directors or its shareholders in connection therewith, other than in connection with the Required Filings. This Agreement and the Registration Rights Agreement have been duly and validly executed by the Company, and assuming the due authorization, execution and delivery of this Agreement and the Registration Rights Agreement by the Purchaser, will constitute the legal, valid and binding obligation of the Company

enforceable against it in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, liquidation or similar Laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application; (ii) as limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies; and (iii) insofar as indemnification and contribution provisions may be limited by applicable Law. There are no shareholder agreements, voting agreements, voting trust agreements or similar agreements with respect to the Company's capital stock to which the Company is a party or, to the Company's Knowledge, between or among any of the Company's shareholders, and no such agreements are currently contemplated.

(d) No Conflicts. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Shares) do not and will not (i) conflict with or violate the Constituent Documents of the Company or any Subsidiary; (ii) result in the creation or imposition of any Lien on the Shares or any of the assets or properties of the Company or any Subsidiary; (iii) conflict with, violate or constitute a default (or an event which with notice or lapse of time or both would become a default) or result in the loss of a benefit under, or give to any other Person any right of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any Subsidiary is a party; or (iv) conflict with, violate or constitute a default (or an event which with notice or lapse of time or both would become a default) or result in the loss of a benefit under any federal, state, local or foreign statute, ordinance, law, rule, regulation, order, judgment, decree, agency requirement or legal requirement (including federal and state securities laws) (each, a **"Law")** applicable to the Company or any Subsidiary, except in the case of clauses (iii) and (iv) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(e) Filings, Consents and Approvals. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the transactions contemplated hereby and thereby will not require any action by, or in respect of, or filing with, any federal, state, local or other Governmental Authority, self-regulatory organization or other Person, other than (i) the filing of a Notice of Exempt Offering of Securities on Form D with the Commission under Regulation D of the Securities Act, and (ii) the requisite filings under state securities Laws to qualify the offering of Shares for exemptions from securities registration (collectively, the **"Required Filings");** and (iii) the filing of a registration statement and such other notices and filings as maybe required pursuant to the Registration Rights Agreement.

(f) Issuance of the Shares. The Shares have been duly authorized and, when issued and delivered in accordance with the terms of this Agreement, against payment of the Subscription Amount, will be duly authorized by all necessary corporate action, duly and validly issued, fully paid, non-assessable, free and clear of all Liens (other than restrictions on transfer provided for in this Agreement or imposed by applicable securities Laws), and free of any preemptive or similar rights.

(g) Capitalization. As of the date hereof, the authorized capital stock of the Company consists of (i) 50,000,000 shares of Common Stock, of which 6,616,565 shares are issued and 6,612,196 shares are outstanding as of the date hereof, and (ii) 1,000,000 shares of Preferred Stock, of which 48,260 are issued and outstanding as of the date hereof. Such shares of Preferred Stock have been designated as Senior Noncumulative Perpetual Preferred Stock, Series C, and were issued to the Treasury on July 6, 2011 in connection with the Company's participation in the Treasury's Small Business Lending Fund Program. Immediately following consummation of the Private Placement and the issuance of additional shares of Common Stock and shares of Nonvoting Preferred Stock pursuant thereto, the Common Stock acquired by the Purchaser pursuant to this Agreement will represent not more than 9.99% of the issued and outstanding shares of Common Stock. All of the issued and outstanding shares of capital stock of the Company have been, and upon consummation of the Private Placement will be, duly authorized and validly issued and are, and upon consummation of the Private Placement will be, fully paid, non-assessable and free of Liens, with no personal liability attaching to the ownership thereof, have been, and upon consummation of the Private Placement will be, issued in compliance in all material respects with all applicable federal and state securities Laws, and none of such shares of capital stock has been, or upon consummation of the Private Placement will be, issued in violation of any preemptive rights or similar rights to subscribe for or purchase any capital stock of the Company. As of the date hereof, there are (i) 232,642 outstanding stock options (the **"Company Stock Options")** issued as nonqualified stock options pursuant to individual employment or other agreements with a weighted average exercise price equal to

$24.19 per share and (ii) 700,000 shares of Common Stock remaining available for issuance under the Company's 2012 Stock Incentive Plan (the **"Company Plan").** Each Company Stock Option (i) was granted in compliance with all applicable Laws and all of the terms and conditions of the individual employment or other agreements, and, to the extent issued under the Company Plan, in compliance with the Company Plan, (ii) has an exercise price per share of Common Stock equal to or greater than the fair market value of a share of Common Stock on the date of such grant and (iii) has a grant date identical to or following the date on which the Board of Directors or compensation committee of the Board of Directors actually awarded such Company Stock Option. As of the date hereof, other than the shares of Common Stock reserved under the Company Plan, no shares of Common Stock or Preferred Stock are reserved for issuance. Neither the Company nor any of its officers, directors or employees is a party to any right of first refusal, tight of first offer, proxy, voting agreement, voting trust, registration rights agreement or shareholders agreement with respect to the sale or voting of any securities of the Company. Except as disclosed on Schedule 3.l(g), (i) none of the capital stock of the Company is subject to preemptive rights or any other similar rights; (ii) there are no outstanding options or other equity-based awards, warrants, scrip, rights to subscribe to, calls, agreements, arrangements or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, or evidencing the right to subscribe for, purchase or receive any shares of capital stock of the Company or any Subsidiary, (iii) there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of capital stock of the Company or any Subsidiary or options or other equity-based awards, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, or evidencing the right to subscribe for, purchase or receive any shares of capital stock of the Company or any Subsidiary; (iv) there are no material outstanding debt securities, notes, credit agreements, credit facilities or other agreements, arrangements, commitments, documents or instruments evidencing indebtedness of the Company or any Subsidiary or by which the Company or any Subsidiary is bound, other than credit agreements or facilities entered into by the Bank in the ordinary course of its business; (v) there are no agreements, commitments, understandings or arrangements under which the Company or any Subsidiary is obligated to register the sale of any of the securities of the Company or any Subsidiary under the Securities Act (except pursuant to the Registration Rights Agreement); (vi) there are no outstanding securities or instruments, agreements, commitments, understandings or arrangements of the Company or any Subsidiary that contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to sell, transfer, dispose, repurchase or redeem a security of the Company or any Subsidiary; (vii) there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Shares; (viii) the Company does not have any stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement; and (ix) neither the Company nor any Subsidiary has any liabilities or obligations not disclosed on the Company's Financial Statements or disclosed in the notes thereto, which, individually or in the aggregate, will have or would reasonably be expected to have a Material Adverse Effect.

(i) Immediately following the consummation of the Private Placement and assuming no exercises of Company Stock Options prior to Closing, (i) 8,504,088 shares of Common Stock and (ii) 453,666 shares of Preferred Stock (including Nonvoting Preferred Stock) will be outstanding as set forth on Schedule 3.l(g).

(h) Reports, Registrations and Statements. Since January 1, 2010, the Company and its Subsidiaries have filed all material reports, registrations and statements, together with any required amendments thereto, that they were required to file with the Bank Regulatory Authorities and any other applicable foreign, federal or state securities or banking authorities, including, without limitation, all financial statements and financial information required to be filed by it under the Federal Deposit Insurance Act and the BHC Act, and have paid all fees and assessments due and payable in connection therewith. All such reports, registrations and statements filed with any such regulatory body or authority are collectively referred to herein as the **"Company Reports."** All such Company Reports were filed on a timely basis or the Company or its Subsidiaries, as applicable, received a valid extension of such time of filing and has filed any such Company Reports prior to the expiration of any such extension. As of their respective dates, the Company Reports complied in all material respects with all the rules and regulations promulgated by the Bank Regulatory Authorities and any other applicable foreign, federal or state securities or banking authorities, as the case may be.

(i) Financial Statements. The audited consolidated balance sheets of the Company and its Subsidiaries as of December 31, 2010 and December 31, 2011 and the related audited consolidated statements of

income, shareholders' equity and cash flows for the year then ended (the **"Audited Financial Statements")** and the unaudited consolidated balance sheets of the Company and its Subsidiaries as of June 30, 2012 and the related unaudited consolidated statements of income for the periods then ended (the **"Unaudited Financial Statements,"** and collectively with the Audited Financial Statements, the **"Financial Statements"),** have been delivered to Purchaser prior to the date hereof. The Financial Statements have been prepared from, and are in accordance with, the books and records of the Company and the Subsidiaries. The Financial Statements comply in all material respects with applicable accounting requirements and the rules and regulations of the applicable Government Authority with respect thereto as in effect at the time of filing. The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis during the periods involved, except as may be otherwise specified in such Financial Statements or the notes thereto and except that the Unaudited Financial Statements may not contain all footnotes required by GAAP. The Financial Statements fairly present in all material respects the results of operations and changes in shareholders' equity and the consolidated financial position of the Company and its Subsidiaries taken as a whole (in each case to the extent such items are presented in such Financial Statements) as of and for the dates thereof and for the periods then ended (as applicable), subject, in the case of the Unaudited Financial Statements, to normal, year-end audit adjustments, which would not be material, either individually or in the aggregate.

(j) Tax Matters. Each of the Company and its Subsidiaries (i) has prepared and timely filed all foreign, federal and state income and all other Tax Returns and all such Tax Returns were complete and correct in all material respects; (ii) has paid all Taxes and other governmental assessments and charges that are material in amount, whether or not shown or determined to be due on such Tax Returns, except those being contested in good faith, with respect to which adequate reserves have been set aside on the books of the Company in accordance with GAAP; (iii) has set aside on its books provisions reasonably adequate for the payment of all Taxes for periods subsequent to the periods to which such returns, reports or declarations apply, (iv) is not subject to any outstanding audit, assessment, dispute or claim concerning any material Tax liability of the Company or any of its Subsidiaries either within the Company's Knowledge or claimed, pending or raised by an authority in writing; (v) is not a party to, bound by or otherwise subject to any obligation under any Tax sharing or Tax indemnity agreement or similar contract or arrangement; (vi) has not participated in a "listed transaction" within the meaning of Treasury Regulation Section 1.6011- 4(b)(2); (vii) does not have any liability for Taxes of any Person arising from the application of Treasury Regulation Section 1.1502-6 or any analogous provision of state, local or foreign Law, or as a transferee or successor, by contract, or otherwise; (viii) has timely withheld, collected or deposited as the case may be all material Taxes (determined both individually and in the aggregate) required to be withheld, collected or deposited by it, and to the extent required, have been paid to the relevant taxing authority in accordance with applicable Law; and (ix) have complied with all applicable information reporting requirements in all material respects.

(k) Material Changes. Since December 31, 2011, except as disclosed on Schedule 3.1(k), (i) there have been no events, circumstances, changes, occurrences or developments that have had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect; (ii) the Company has not incurred any material liabilities (contingent or otherwise) other than (A) trade payables, accrued expenses and other liabilities incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Financial Statements pursuant to GAAP; (iii) the Company has not altered materially its method of accounting or the manner in which it keeps its accounting books and records; (iv) the Company has not declared or made any dividend or distribution of cash or other property to its shareholders or purchased, redeemed or made any agreement, arrangement, commitment or understanding to purchase or redeem any shares of its capital stock; (v) the Company has not issued any equity securities to any officer, director or Affiliate; (vi) there has not been any material change or amendment to, or any waiver of any material right by the Company under, any Material Contract under which the Company or any of its Subsidiaries is bound or subject; (vii) to the Company's Knowledge, there has not been a material increase in the aggregate dollar amount of: (A) the Bank's nonperforming loans (including nonaccrual loans and loans ninety (90) days or more past due and still accruing interest) or (B) the reserves or allowances established on the Company's or Bank's financial statements with respect thereto; and (viii) there has not been any material damage, destruction, or other casualty loss with respect to any material asset or property owned, leased, or otherwise used by the Company or any Subsidiary, whether or not covered by insurance.

(l) Environmental Matters. Neither the Company nor any Subsidiary (i) is in violation of any Law relating to the use, disposal or release of hazardous or toxic substances or relating to the protection or restoration of the environment or human exposure to hazardous or toxic substances (collectively, **"Environmental Laws");** (ii) owns or operates any real property contaminated with any substance that is in violation of any Environmental Laws;

(iii) is liable for any off-site disposal or contamination pursuant to any Environmental Laws; or (iv) is subject to any claim relating to any Environmental Laws; in each case, which violation, contamination, liability or claim has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; and, to the Company's Knowledge, there is no pending or threatened investigation that might lead to such a claim.

(m) Litigation. Except as disclosed on Schedule 3.l(m), there is no Action that (i) adversely affects or challenges the legality, validity or enforceability of this Agreement or the transactions contemplated hereby (including the issuance of the Shares hereunder) or (ii) has had or would reasonably be expected to have a Material Adverse Effect, individually or in the aggregate, if there was an unfavorable decision, and neither the Company nor any of its Subsidiaries has any material liabilities or obligations of any nature (absolute, accrued, contingent, or otherwise) which are not appropriately reflected or reserved against in the Financial Statements to the extent required to be so reflected or reserved against in accordance with GAAP, except for liabilities that have arisen since June 30, 2012, in the ordinary course of business consistent with past practice. Neither the Company nor any Subsidiary, nor any director or officer thereof, is or has been the subject of any Action involving a claim of violation of or liability under federal or state securities Laws or a claim of breach of fiduciary duty. There has not been, and to the Company's Knowledge there is not pending or contemplated, any investigation by any Governmental Authority involving the Company or any current or former director or officer of the Company. Except as disclosed on Schedule 3.1(m), there are no outstanding orders, judgments, injunctions, awards or decrees of any Governmental Authority against the Company or any executive officers or directors of the Company in their capacities as such which, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect.

(n) Employment Matters. Employees of the Company and its Subsidiaries are not and have never been represented by any labor union nor are any collective bargaining agreements otherwise in effect with respect to such employees. No labor organization or group of employees of the Company or any Subsidiary has made a pending demand for recognition or certification, and there are no representation or certification proceedings or petitions seeking a representation proceeding presently pending or, to the Company's Knowledge, threatened to be brought or filed with the National Labor Relations Board or any other labor relations tribunal or authority. There are no organizing activities, strikes, work stoppages, slowdowns, lockouts, arbitrations or grievances, or other labor disputes pending or, to the Company's Knowledge, threatened against or involving the Company or any Subsidiary. To the Company's Knowledge, no executive officer is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement or noncompetition agreement, or any other contract or agreement or any restrictive covenant in favor of a third party, and the continued employment of each such executive officer does not subject the Company or any Subsidiary to any material liability with respect to any of the foregoing matters. The Company and each Subsidiary is in compliance in all material respects with all U.S. federal, state, local and foreign Laws and regulations relating to employment and fair employment practices, immigration, terms and conditions of employment, compensation, benefits, employment discrimination and harassment, workers compensation, occupational safety and health, and wages and hours. Neither the Company nor any Subsidiary is a party to or otherwise bound by any consent decree with or citation by any Governmental Authority relating to employees or employment practices. As of the date of this Agreement, no material employee has given notice to the Company or any of its Subsidiaries of his or her intent to terminate his or her employment or service relationship with the Company or any of its Subsidiaries.

(o) Compliance. The Company and its Subsidiaries are in material compliance with all Laws of any Governmental Authority applicable to their respective businesses or operations. Neither the Company nor any Subsidiary (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any Subsidiary under), nor has the Company or any Subsidiary received written notice of a claim that it is in default under or that it is in violation of, any Material Contract (whether or not such default or violation has been waived); (ii) is in violation of any order of any Governmental Authority having jurisdiction over the Company, any Subsidiary or their respective properties or assets; or (iii) is in violation of, or in receipt of written notice that it is in violation of, any Law of any Governmental Authority or self-regulatory organization applicable to the Company or any Subsidiary, except in each case as has not had or would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(p) Regulatory Permits. The Company and each of its Subsidiaries possess all certificates, authorizations, consents, licenses, franchises, variances, exemptions, orders, approvals and permits issued by the appropriate Governmental Authorities necessary to conduct their respective businesses as currently conducted, except

where the failure to possess such permits, individually or in the aggregate, has not and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect **("Material Permits"),** and (i) neither the Company nor any Subsidiary has received any notice in writing of Actions relating to the revocation or material adverse modification of any such Material Permits and (ii) the Company is unaware of any facts or circumstances that would give rise to the suspension, revocation or material adverse modification of any Material Permits.

(q) Title to Assets. Each of the Company and its Subsidiaries has good and marketable title to all real property and tangible personal property owned by it that is material to the business of the Company and its Subsidiaries, taken as a whole, in each case free and clear of all Liens except such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company or such Subsidiary, as applicable. Any real property and facilities held under lease by the Company or any of its Subsidiaries is held by such party under a valid, subsisting and enforceable lease with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and facilities by the Company or such Subsidiary, as applicable. There is not, under any such lease, any existing default by the Company or any such Subsidiary or any event which, with notice or lapse of time or both, would constitute such default. None of the owned or leased premises or properties of the Company or any of its Subsidiaries is subject to any current or, to the Company's Knowledge, potential interests of third parties or other restrictions or limitations that would impair or be inconsistent in any material respect with the current use of such property by the Company or any of its Subsidiaries, as the case may be.

(r) Intellectual Property; Privacy. Except as disclosed on Schedule 3.l(r), each of the Company and its Subsidiaries owns, possesses, licenses or has other rights to use all foreign and domestic patents, patent applications, trade and service marks, trade and service mark registrations, brand names, trade names, copyrights, designs, inventions, trade secrets, technology, Internet domain names, know-how and other intellectual property (collectively, the **"Intellectual Property"),** free and clear of all Liens and third party rights, necessary for the conduct of their respective businesses as currently conducted, except where the failure to own, possess, license or have such rights has not had and would not have or reasonably be expected to have a Material Adverse Effect. Except where such violations, misappropriations, infringements or unauthorized use would not have or reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, (i) there are no rights of third parties to any such Intellectual Property; (ii) there is no infringement, misappropriation or unauthorized use by third parties of any such Intellectual Property; (iii) there is no pending or threatened Action by any Person challenging the Company's and/or any Subsidiary's rights in or to any such Intellectual Property; (iv) there is no pending or threatened Action by any Person challenging the validity or scope of any such Intellectual Property; and (v) there is no pending or threatened Action by any Person that the Company and/or any Subsidiary infringes, misappropriates or otherwise violates any Intellectual Property of any other Person. The Company and its Subsidiaries comply in all material respects with all Laws with respect to the protection of personal privacy, personally identifiable information, sensitive personal information and any special categories of personal information regulated thereunder.

(s) Insurance. Each of the Company and its Subsidiaries is insured, and during each of the past two calendar years has been insured, by insurers of recognized financial responsibility against such losses and risks and in such amounts as the Company believes to be prudent and customary In the businesses and locations in which the Company and its Subsidiaries are engaged. All premiums due and payable under all such policies and bonds have been timely paid, and the Company and its Subsidiaries are in material compliance with the terms of such policies and bonds. Neither the Company nor any of its Subsidiaries has received any notice of cancellation of any such insurance, nor, to the Company's Knowledge, will it or any Subsidiary be unable to renew their respective existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would be materially higher than their existing insurance coverage.

(t) Transactions With Affiliates and Employees. Except as set forth on Schedule 3.l(t), none of the officers, directors, employees or Affiliates of the Company or any of its Subsidiaries is presently a party to any contract, arrangement or transaction with the Company or any of its Subsidiaries or to a presently contemplated contract, arrangement or transaction (other than for services as employees, officers and directors) that would be required to be disclosed pursuant to Item 404 of Regulation S-K promulgated under the Securities Act if such item were applicable to the Company.

(u) Internal Accounting Controls. The Company maintains a system of internal accounting controls that is designed to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any difference. The records, systems, controls, data and information of the Company and its Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process whether computerized or not) that are under the exclusive ownership and direct control of the Company or its Subsidiaries or accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be expect to have, individually or in the aggregate, a Material Adverse Effect. The Company has not been advised of any material weaknesses in the design or operation of internal controls over financial reporting which could reasonably be expected to adversely affect the Company's ability to record, process, summarize and report financial data, or any fraud, whether or not material, that involves management. Since January 1, 2011, (i) no material weakness in internal controls has been identified by the Company's auditors or management; and (ii) there have been no significant changes in internal controls that could reasonably be expected to materially and adversely affect internal controls.

(v) No Integrated Offering; Private Placement. Assuming the accuracy of the Purchaser's representations and warranties set forth in Section 3.2 of this Agreement and assuming the accuracy of the representations and warranties of each other Person who purchased Common Stock during the past six (6) months, (i) none of the Company, any Subsidiary nor, to the Company's Knowledge, any of its Affiliates or any Person acting on its behalf has, directly or indirectly, at any time within the past six (6) months, made any offers or sales of any Company security. or solicited any offers to buy any security under circumstances that would cause such offers and sales to be integrated for purposes of Regulation D and any state securities or blue sky laws with the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements or that otherwise would cause the exemption from registration under Regulation D or and any state securities or blue sky laws to be unavailable in connection with the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements and (ii) no registration under the Securities Act or any state securities or blue sky laws is required for the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements.

(w) Investment Company. Neither the Company nor any of its Subsidiaries is, and immediately after receipt of payment for the Shares will be, an "investment company," an "affiliated person" of, "promoter" for or "principal underwriter" for, an entity "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

(x) Unlawful Payments. Neither the Company nor any of its Subsidiaries, nor any directors, officers, nor to the Company's Knowledge, employees, agents or other Persons acting at the direction of or on behalf of the Company or any Subsidiary has, in the course of its actions for, or on behalf of, the Company or any of its Subsidiaries: (i) directly or indirectly, used any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to foreign or domestic political activity; (ii) made any direct or indirect unlawful payments to any foreign or domestic governmental officials or employees or to any foreign or domestic political parties or campaigns from corporate funds; (iii) violated any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any other similar applicable foreign, federal, or state legal requirement; (iv) made any other unlawful bribe, rebate, payoff, influence payment, kickback or other material unlawful payment to any foreign or domestic government official or employee; or (v) has violated or operated in noncompliance with any export restrictions, money laundering law, anti-terrorism law or regulation, anti-boycott regulations or embargo regulations.

(y) Application of Takeover Protections; Rights Agreements. The Company has not adopted any stockholder rights plan or similar agreement, arrangement or understanding relating to accumulations of beneficial ownership of Common Stock or a change in control of the Company. The Company and its Board of Directors have taken all action necessary to render inapplicable any control share acquisition, business combination, fair price, moratorium, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under applicable Law, the Company's Constituent Documents, or any agreement, arrangement or

understanding with any of the Company's shareholders or any other Person that is or could become applicable to the Purchaser as a direct consequence of the transactions contemplated by this Agreement, including, without limitation, the Company's issuance of the Shares to the Purchaser and the Purchaser's ownership of the Shares.

(z) Off Balance Sheet Arrangements. There is no agreement, commitment, transaction, arrangement, or other relationship between the Company (or any of its Subsidiaries) and any unconsolidated or other off balance sheet entity that would have or reasonably be expected to have a Material Adverse Effect.

(aa) OFAC. Neither the Company nor any Subsidiary nor any director, officer, agent, employee, Affiliate or Person acting on behalf of the Company or any Subsidiary is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the Treasury **("OFAC");** and the Company will not knowingly, directly or indirectly, use the proceeds of the sale of the Shares, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person or entity, towards any sales or operations in any country sanctioned by OF AC or for the purpose of financing the activities of any Person currently subject to any U.S. sanctions administered by OFAC.

(bb) No Additional Agreements. Except as set forth on Schedule 3.l(bb), the Company has no other agreements, arrangements or understandings (including, without limitation, the Other Purchase Agreement or any side letters) with any Person to issue shares of capital stock of the Company on terms more favorable to such Person than as set forth herein.

(cc) Well Capitalized. Immediately following consummation of the Private Placement, the Bank will be "well capitalized" under applicable Federal Reserve and FDIC regulations for prompt corrective action.

(dd) Agreements with Regulatory Agencies. Neither the Company nor any of its Subsidiaries is subject to any cease-and-desist or other similar order or enforcement action issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any capital directive by, or since January 1, 2008, has adopted any board resolutions at the request of, any Governmental Authority that currently restricts in any material respect the conduct of its business or that in any material manner relates to its capital adequacy, its liquidity and funding policies and practices, its ability to pay dividends, its credit, risk management or compliance policies, its internal controls, its management or its operations or business (each item in this sentence, a **"Regulatory Agreement"),** nor has the Company or any Subsidiary been advised since January 1, 2011 by any Governmental Authority that it is considering issuing, initiating, ordering, or requesting any such Regulatory Agreement. The Company and its Subsidiaries are in compliance in all material respects with each Regulatory Agreement to which it is party or subject, and neither the Company nor any of its Subsidiaries has received any notice from any Governmental Authority indicating that the Company or any of its Subsidiaries is not in compliance in all material respects with any such Regulatory Agreement.

(ee) Fiduciary Obligations. The Company and its Subsidiaries have, in all material respects, properly administered all accounts for which it acts as a fiduciary, including accounts for which it serves as a trustee, agent, custodian, personal representative, guardian, conservator or investment advisor, in accordance with the terms of the governing documents, applicable federal and state Law and regulation and common law. None of the Company, its Subsidiaries or any director, officer or employee of the Company or its Subsidiaries has, in any material respect, committed any breach of trust or fiduciary duty with respect to any such fiduciary account and the accountings for each such fiduciary account are true and correct in all material respects and accurately reflect the assets of such fiduciary account.

(ff) No General Solicitation or General Advertising. Neither the Company nor any Person acting on its behalf has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Regulation D of the Securities Act) in connection with any offer or sale of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements.

(gg) Mortgage Banking Business. Except for such matters that have not had and would not reasonably be expected to have a Material Adverse Effect:

(i) The Company and its Subsidiaries have complied with, and all documentation in connection with the origination, processing, underwriting and credit approval of any mortgage loan originated, purchased or serviced by the Company or its Subsidiaries satisfied, (A) all applicable federal, state and local Laws, rules and regulations with respect to the origination, insuring, purchase, sale, pooling, servicing, subservicing, or filing of claims in connection with mortgage loans, including all Laws relating to real estate settlement procedures, consumer credit protection, truth in lending Laws, usury limitations, fair housing, transfers of servicing, collection practices, equal credit opportunity and adjustable rate mortgages, (B) the responsibilities and obligations relating to mortgage loans set forth in any agreement between the Company or its Subsidiaries and any Agency, Loan Investor or Insurer, (C) the applicable rules, regulations, guidelines, handbooks and other requirements of any Agency, Loan Investor or Insurer, (D) the terms and provisions of any mortgage or other collateral documents and other loan documents with respect to each mortgage loan and (E) the underwriting guidelines and other loan policies and procedures of the Company or any applicable Subsidiary;

(ii) No Agency, Loan Investor or Insurer has (A) claimed in writing that the Company or any of its Subsidiaries has violated or has not complied with the applicable underwriting standards with respect to mortgage loans sold by the Company or any of its Subsidiaries to a Loan Investor or Agency, or with respect to any sale of mortgage servicing rights to a Loan Investor, (B) imposed in writing restrictions on the activities (including commitment authority) of the Company or any of its Subsidiaries or (C) indicated in writing to the Company or any of its Subsidiaries that it has terminated or intends to terminate its relationship with the Company or any of its Subsidiaries for poor performance, poor loan quality or concern with respect to the Company's or any of its Subsidiaries' compliance with Laws; and

(iii) To the Company's Knowledge, the characteristics of the loan portfolio of the Company have not materially changed from the characteristics of the loan portfolio of the Company as of June 30, 2012.

For purposes of this Section 3.l(gg): (A) **"Agency"** means the Federal Housing Administration, the Federal Home Loan Mortgage Corporation, the Farmers Home Administration (now known as Rural Housing and Community Development Services), the Federal National Mortgage Association, the United States Department of Veterans' Affairs, the Rural Housing Service of the U.S. Department of Agriculture or any other Governmental Authority with authority to (i) determine any investment, origination, lending or servicing requirements with regard to mortgage loans originated, purchased or serviced by the Company or any of its Subsidiaries or (ii) originate, purchase, or service mortgage loans, or otherwise promote mortgage lending, including state and local housing finance authorities; (B) **"Loan Investor"** means any Person (including an Agency) having a beneficial interest in any mortgage loan originated, purchased or serviced by the Company or any of its Subsidiaries or a security backed by or representing an interest in any such mortgage loan; and (C) **"Insurer"** means a Person who insures or guarantees for the benefit of the mortgagee all or any portion of the risk of loss upon borrower default on any of the mortgage loans originated, purchased or serviced by the Company or any of its Subsidiaries, including the Federal Housing Administration, the United States Department of Veterans' Affairs, the Rural Housing Service of the U.S. Department of Agriculture and any private mortgage insurer, and providers of hazard, title or other insurance with respect to such mortgage loans or the related collateral.

(hh) Risk Management Instruments. Except as has not had or would not be reasonably be expected to have a Material Adverse Effect, since January 1, 2011, all material derivative instruments, including, swaps, caps, floors and option agreements, whether entered into for the Company's own account, or for the account of one or more of its Subsidiaries, were entered into (1) only for purposes of mitigating identified risk and in the ordinary course of business, (2) in accordance with prudent practices and in all material respects with all applicable Laws, rules, regulations and regulatory policies and (3) with counterparties believed to be financially responsible at the time; and each of them constitutes the valid and legally binding obligation of the Company or its Subsidiary, enforceable in accordance with its terms. Neither the Company nor its Subsidiaries, nor, to the Company's Knowledge, any other party thereto, is in breach of any of its material obligations under any such agreement or arrangement. The Company aild its Subsidiaries have in place risk management policies and procedures sufficient in scope and operation designed to protect against risks or the type and in amounts reasonably expected to be incurred by persons of similar size and in similar lines of business as the Company and its Subsidiaries.

(ii) ERISA. The Company and its Subsidiaries are in compliance in all material respects with all presently applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder (herein called **"ERISA").** No "reportable event" (as defined in ERISA) has occurred with respect to any "pension plan" (as defined in ERISA) for which the Company, any Subsidiary, or any employer that would be considered a single employer with the Company under Sections 414(b), (c), (m) or (o) of the Code, would have any liability. None of the Company, any Subsidiary or any employer that would be considered a single employer with the Company under Sections 414(b), (c), (m) or (o) of the Code maintains, contributes or has any liability, whether contingent or otherwise, with respect to, and has not within the preceding six (6) years maintained, contributed or had any liability, whether contingent or otherwise, with respect to any "employee benefit plan," within the meaning of Section 3(3) of ERISA, that is, or has been, (i) subject to Title IV of ERISA or Section 412 of the Code, (ii) maintained by more than one employer within the meaning of Section 413(c) of the Code, (iii) subject to Sections 4063 or 4064 of ERISA, or (iv) a "multiemployer plan," within the meaning of Section 4001(a)(3) of ERISA. Each "pension plan" for which the Company or any Subsidiary would have liability that is intended to be qualified under Section 401(a) of the Code is so qualified in all material respects and nothing has occurred, whether by action or by failure to act, that would cause the loss of such qualification. Neither the Company nor any Subsidiary has any obligation to provide or make available any post-employment benefit under any "welfare plan" (as defined in Section 3(1) of ERISA) for any current or former employee or other service provider, except as may be required under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, or any similar state Law.

(jj) Shell Company Status. The Company is not, and has never been, an issuer identified in Rule 144(i)(l).

(kk) Nonperforming and Classified Assets. Except as set forth on Schedule 3.l(kk), to the Company's Knowledge, as of the date hereof, the Company believes that its Subsidiaries will be able to fully and timely collect substantially all interest, principal or other payments when due under their respective loans, leases and other assets that are not classified as nonperforming and such belief is reasonable under all the facts and circumstances known to the Company and its Subsidiaries, and the Company believes that the amount of reserves and allowances for loan and lease losses and other nonperforming assets established on the Financial Statements is adequate and such belief is reasonable under all the facts and circumstances known to the Company and its Subsidiaries.

(ll) Change in Control. The issuance of the Shares to the Purchaser pursuant to this Agreement and the issuance of shares of Common Stock to the Other Purchasers pursuant to the Other Purchase Agreements will not trigger any rights under any "change of control" provision in any of the agreements to which the Company or any of its Subsidiaries is a party, including any employment, "change in control," severance or other compensatory agreements and any benefit plan, which results in payments to the counterparty or the acceleration of vesting of benefits.

(mm) Material Contracts. Each Material Contract is valid and binding on the Company or its Subsidiaries, as the case may be, and in full force and effect (other than due to the ordinary expiration of the term thereof), and, to the Company's Knowledge, is valid and binding on the other parties thereto. The Company and each of its Subsidiaries (and, to the Company's Knowledge, each· other party thereto) has in all material respects performed all obligations required to be performed by it to date under each Material Contract. To the Company's Knowledge, no other party to the Material Contracts is in breach, violation or default of any such Material Contract, and no event has occurred which with notice or lapse of time or both would constitute a breach, violation or default by any such other party to any such Material Contract. No power of attorney or similar authorization given directly or indirectly by the Company or any of its Subsidiaries is currently outstanding.

(nn) Brokers and Finders. Except as set forth on Schedule (nn), other than the Placement Agent with respect to the Company (which fees are to be paid by the Company and are also set forth on Schedule 3.l(nn)), no Person will have, as a result of the transactions contemplated by this Agreement and the Other Purchase· Agreements, any valid right, interest or claim against or upon the Company, its Subsidiaries or the Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Company or any of its Subsidiaries and no broker or finder has acted directly or indirectly for the Company or any Company Subsidiary in connection with the Transaction Documents or the transactions contemplated hereby or thereby.

(oo) Disclosure. All of the disclosure furnished by or on behalf of the Company to the Purchaser regarding the Company and its Subsidiaries, their respective businesses and the transactions contemplated hereby, is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(pp) Money Laundering Laws. The operations of the Company and each of its Subsidiaries are and have been conducted at all times in material compliance with the money laundering statutes of applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any applicable governmental agency (collectively, the "Money Laundering Laws") and to the Company's Knowledge, no action, suit or proceeding by or before any Governmental Authority involving the Company and/or any Subsidiary with respect to the Money Laundering Laws is pending or threatened.

(qq) Compliance with Certain Banking Regulations. To the Company's Knowledge, there are no existing facts and circumstances, and management has no reason to believe that any facts or circumstances exist, that would cause the Bank: (i) to be deemed not to be in satisfactory compliance with the Community Reinvestment Act of 1977 (the "CRA") and the regulations promulgated thereunder or to be assigned a CRA rating by federal or state banking regulators of lower than "satisfactory"; (ii) to be deemed to be operating in violation, in any material respect, of the Currency and Foreign Transactions Reporting Act of 1970, as amended, or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001; or (iii) to be deemed not to be in satisfactory compliance, in any material respect, with all applicable privacy of customer information requirements contained in any federal and state privacy laws and regulations as well as the provisions of all information security programs adopted by the Bank.

(rr) Common Control. The Company is not and, after giving effect to the offering and sale of the Shares pursuant to this Agreement and the shares of Common Stock pursuant to the Other Purchase Agreements, will not be under the control (as defined in the BHC Act and the Federal Reserve's Regulation Y (12 C.F.R. Part 225) **("BHC Act Control")** of any company (as defined in the BHC Act and the Federal Reserve's Regulation Y). The Company is not in BHC Act Control of any "insured depository institution," as defined under Section 3(c)(2) of the Federal Deposit Insurance Act of 1950, as amended, other than the Bank. The Bank is not under the BHC Act Control of any company (as defined in the BHC Act and the Federal Reserve's Regulation Y) other than Company. Neither the Company nor the Bank controls, in the aggregate, more than five percent (5%) of the outstanding voting class, directly or indirectly, of any federally insured depository institution, other than the Company's ownership interest in the Bank.

(ss) Securities Purchase Agreement. This Agreement is substantially identical in all material respects to the Other Purchase Agreements entered into between the Company and the Other Purchasers purchasing shares of Common Stock except as to: (i) the type and number of shares of Common Stock and Nonvoting Preferred Stock to be purchased and the aggregate purchase price for such shares (but not the purchase price per share) set forth in Section 2.1 (together with such necessary conforming changes, including with respect to ownership thresholds in Sections 4.9 and 4.17); (ii) the specified maximum dollar amount of reimbursement of any Other Purchaser's fees and expenses (which maximum dollar amounts in any event are not more favorable in proportion to such Other Purchaser's aggregate subscription amount than the maximum dollar amount of reimbursement of Purchaser's fees and expenses pursuant to this Agreement in proportion to the Purchaser's Subscription Amount);

(iii) provisions relating to the execution and delivery of the VCOC Letter, which do not appear in this Agreement and may not appear in all Other Purchase Agreements; (iv) and (v) that Other Purchase Agreements may not contain the provisions set forth in Sections 4.12, 4.15 and 4.16 hereof.

(tt) Directors' and Officers' Insurance. (i) The Company maintains directors' and officers' liability insurance and fiduciary liability insurance with, to the Company's Knowledge, financially sound and reputable insurance companies with benefits and levels of coverage that the Company believes to be prudent and customary in the businesses and locations in which the Company and its Subsidiaries are engaged. (ii) the Company has timely paid all premiums on such policies and (iii) there has been no lapse in directors' and officers' liability insurance and fiduciary liability insurance coverage during the term of such policies.

3.2 Representations and Warranties of the Purchaser. Each Individual Purchaser, severally and not jointly (and as to itself only, with each reference to "Purchaser" being a reference to such Individual Purchaser only), represents and warrants to the Company as of the date hereof and as of the Closing Date as follows:

(a) Organization; Authority. The Purchaser is a limited partnership validly existing and in good standing under the Laws of the jurisdiction of its organization with the requisite power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder. The execution and delivery of this Agreement by the Purchaser, and. the performance by the Purchaser of the transactions contemplated by this Agreement, have been duly authorized by all necessary action on the part of the Purchaser. This Agreement has been duly executed by the Purchaser, and assuming the due authorization, execution and delivery of this Agreement by the Company, will constitute the legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, liquidation or similar Laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application; (ii) as limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies; and (iii) insofar as indemnification and contribution provisions may be limited by applicable Law.

(b) No Conflicts. The execution, delivery and performance by the Purchaser of this Agreement and the consummation by the Purchaser of the transactions contemplated hereby will not (i) result in a violation of the Constituent Documents of the Purchaser; (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to any other Person any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Purchaser is a party; or (iii) result in a violation of any Law, rule, regulation, order, judgment or decree (including federal and state securities Laws) applicable to the Purchaser, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of the Purchaser to consummate the transactions contemplated by this Agreement.

(c) Investment Intent. The Purchaser understands that the Shares are "restricted securities" and have not been registered under the Securities Act or any applicable state securities Laws, and the Purchaser is acquiring the Shares as principal for its own account and not with a view to, or for distributing or reselling such Shares or any part thereof in violation of, the Securities Act or any applicable state securities Laws, provided, however, that by making the representations herein, the Purchaser does not agree to hold any of the Shares for any minimum period of time and reserves the right at all times to sell or otherwise dispose of all or any part of such Shares pursuant to an effective registration statement under the Securities Act or under an exemption from such registration and in compliance with applicable federal and state securities Laws. Except with respect to the Registration Rights Agreement, the Purchaser does not presently have any agreement, plan or understanding, directly or indirectly, with any Person to distribute or effect any distribution of any of the Shares to or through any Person.

(d) Purchaser Status. The Purchaser is an "accredited investor" as defined in Rule 50l(a) under the Securities Act.

(e) General Solicitation. The Purchaser is not purchasing the Shares as a result of any advertisement, article, notice or other communication regarding the Shares published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general advertisement.

(f) Investment Risk. The Purchaser understands that its investment in the Shares involves a significant degree of risk and that no representation is being made as to the future value or trading volume of the Shares.

(g) Experience of the Purchaser. The Purchaser, either alone or together with its Representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Shares, and has so evaluated the merits and risks of such investment. The Purchaser is able to bear the economic risk of an investment in the Shares and, at the present time, is able to afford a complete loss of such investment.

(h) Access to Information. The Purchaser acknowledges that it has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, Representatives of the Company concerning the terms and conditions of the offering of the Shares and the merits and risks of investing in the Shares; (ii) access to information about the Company and its Subsidiaries and their respective financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. Neither such inquiries nor any other investigation conducted by or on behalf of the Purchaser or its representatives or counsel shall modify, amend or affect the Purchaser's right to rely on the truth, accuracy and completeness of the Company's representations and warranties contained in this Agreement. The Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to its acquisition of the Shares.

(i) Brokers and Finders. Other than the Placement Agent with respect to the Company (which fees are to be paid by the Company and are also set forth on Schedule 3.l(nn)), no Person will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company or the Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Purchaser.

(j) Independent Investment Decision. The Purchaser has independently evaluated the merits of its decision to purchase Shares pursuant to this Agreement, and the Purchaser is not relying upon, and has not relied upon, any statement, representation or warranty made by any Person, except for the statements, representations and warranties contained in this Agreement. The Purchaser understands that nothing in this Agreement or any other materials presented by or on behalf of the Company to the Purchaser in connection with the purchase of the Shares constitutes legal, tax or investment advice. The Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the Shares. The Purchaser understands that the Placement Agent has acted solely as the agent of the Company in this placement of the Shares and the Purchaser has not relied on the business or legal advice of the Placement Agent or any of its agents, counsel or Affiliates in making its investment decision hereunder, and confirms that none of such Persons has made any representations or warranties to the Purchaser in connection with the transactions contemplated by this Agreement.

(k) Reliance on Exemptions. The Purchaser understands that the Shares being offered and sold to it in reliance on specific exemptions from the registration requirements of U.S. federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Purchaser's compliance with, the representations, warranties, agreements, acknowledgements and understandings of the Purchaser set forth herein in order to determine the availability of such exemptions and the eligibility of the Purchaser to acquire the Shares.

(l) No Governmental Review. The Purchaser understands that no Governmental Authority has passed on or made any recommendation or endorsement of the Shares or the fairness or suitability of the investment in the Shares nor have such authorities passed upon or endorsed the merits of the offering of the Shares.

(m) No Regulatory Consents or Approvals. Except as required pursuant to Section 5.l(k), no consent, approval, order or authorization of, or registration, declaration or filing with, any Bank Regulatory Authority or other third party is required on the part of Purchaser in connection with (a) the execution, delivery or performance by Purchaser of this Agreement and the Transaction Documents contemplated hereby or (b) the consummation by Purchaser of the transactions contemplated hereby.

(n) Residency. The Purchaser's residence (if an individual) or office in which its investment decision with respect to the Shares was made (if an entity) are located at the address of Purchaser contained in Section 6.2.

3.3 No Additional Representations and Warranties. The Company and the Purchaser acknowledge and agree that no party to this Agreement has made or makes any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in this ARTICLE III and the Transaction Documents.

ARTICLE IV

OTHER AGREEMENTS OF THE PARTIES

4.1 Filings; Other Actions.

(a) The Purchaser (on behalf of itself and its Affiliates, and its and their respective directors, officers, partners, members and shareholders), on the one hand, and the Company (on behalf of itself and its Affiliates), on the other hand, will cooperate and consult with each other and use commercially reasonable efforts to prepare and file all necessary documentation, to effect all necessary applications, notices, petitions, filings, and other documents, and to obtain all necessary permits, consents, orders, approvals, and authorizations of, or any exemption by, all third parties and Governmental Authorities, and expiration or termination of any applicable waiting periods, necessary or advisable to consummate the transactions contemplated by this Agreement and the other Transaction Documents, and to perform their respective covenants in this Agreement and the other Transaction Documents. Each party shall, and shall cause its respective Affiliates, and its and their respective directors, officers, partners, members and shareholders to) execute and deliver, both before and after the Closing, such further certificates, agreements, and other documents and take such other actions as the other party may reasonably request to consummate or implement such transactions or to evidence such events or matters. Notwithstanding anything herein to the contrary, the Purchaser and its Affiliates are not subject to any covenant or agreement under this Agreement to file any application or notice under the BHC Act or the CIBC Act in connection with any of the transactions as contemplated hereby, and nothing herein shall require the Purchaser or any of its Affiliates to take any action that would result in the Purchaser or its Affiliates being deemed to control the Company for the purposes of the BHC Act or the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions), or that would require the Purchaser or its Affiliates to Register as a bank holding company, or that would result in the imposition of any Burdensome Condition. Each party hereto agrees to keep the other party apprised of the status of matters relating to completion of the transactions contemplated hereby.

(b) Each party agrees, upon request, to furnish the other party with all information concerning itself, its subsidiaries, Affiliates, directors, officers, partners, members and shareholders and such other matters as may be reasonably necessary or advisable in connection with any statement, filing, notice, or application made by or on behalf of such other party or any of its subsidiaries to any Governmental Authority in connection with Transaction Documents; provided, however, that this Section 4.1(b) shall not require a party to furnish any of its or its Affiliates' partnership agreements.

4.2 Transfer Restrictions.

(a) Compliance with Laws. Notwithstanding any other provision of this Agreement, the Purchaser covenants that the Shares may be disposed of only pursuant to an effective registration statement under, and in compliance with the requirements of, the Securities Act, or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable state, federal or foreign securities Laws. In connection with any transfer of the Shares other than (i) pursuant to an effective registration statement, (ii) to one or more Affiliates of Purchaser, (iii) to the Company; (iv) in a merger or other recapitalization or business combination transaction authorized and approved by the Board of Directors, or (v) pursuant to Rule 144 (provided that the transferor provides the Company with reasonable assurances (in the form of seller and broker representation letters) that such securities may be sold pursuant to such rule), the Company may require the transferor thereof to provide to the Company and the Transfer Agent, at the transferor's expense, an opinion of counsel selected by the transferor and reasonably acceptable to the Company and the Transfer Agent, the form and substance of which opinion will be reasonably satisfactory to the Company and the Transfer Agent, to the effect that such transfer does not require registration of such Shares under the Securities Act. As a condition of transfer (other than pursuant to clauses (i), (iii), (iv) or (v) of the preceding sentence), any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights of a Purchaser under this Agreement and the Registration Rights Agreement with respect to such transferred Shares.

(b) Legends. Certificates evidencing the Shares will bear any legend as required by the "blue sky" Laws of any state and a restrictive legend in substantially the following form, until such time as they are not required under Section 4.2(c) or applicable Law:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER SAID ACT (PROVIDED THAT THE TRANSFEROR PROVIDES THE COMPANY WITH REASONABLE ASSURANCES (IN THE FORM OF SELLER REPRESENTATION LETTER AND, IF APPLICABLE, A BROKER REPRESENTATION LETTER) THAT THE SECURITIES MAY BE SOLD PURSUANT TO SUCH RULE). NO REPRESENTATION IS MADE BY THE ISSUER AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THESE SECURITIES.

(c) Removal of Legends. The Company will take such action as may be necessary and appropriate to cause the Transfer Agent to issue to the Purchaser new certificates representing the Shares without such restrictive legends as set forth in Section 4.2(b) in exchange for the certificates issued to the Purchaser under Section 2.3(a)(ii) of this Agreement upon the earliest to occur of the following: (i) such Shares are registered for resale under the Securities Act, (ii) such Shares are sold or transferred pursuant to Rule 144, or (iii) such Shares are eligible for sale under Rule 144, without the requirement for the Company to be in compliance with the current public information required under Rule 144(c)(l) (or Rule 144(i)(2), if applicable) as to such securities and without volume or manner-of-sale restrictions. If a legend is no longer required pursuant to the foregoing, the Company will no later than three (3) Business Days following the delivery by the Purchaser to the Transfer Agent of a legended certificate representing such Shares (such third trading day, the **"Legend Removal Date"),** deliver or cause to be delivered to the Purchaser a certificate representing such Shares that is free from all restrictive legends. The Company may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this Section 4.2(c). Any fees (with respect to the transfer agent or otherwise) associated with the removal of such legend shall be borne by the Company.

(d) Cooperation by the Company. The Company shall cooperate, in accordance with reasonable and customary business practices with any and all transfers, whether by direct or indirect sale, assignment, award, confirmation, distribution, bequest, donation, trust, pledge, encumbrance, hypothecation or other transfer or disposition, for consideration or otherwise, whether voluntarily or involuntarily, by operation of law or otherwise, by the Purchaser or any of its successors and assigns of the Securities and other shares of Common Stock such party may beneficially own prior to or subsequent to the date hereof in accordance with this Agreement.

IV.3 Form D and Blue Sky. The Company will take such action as the Company reasonably determines is necessary in order to obtain an exemption for or to qualify the Shares for sale to the Purchaser at the Closing pursuant to this Agreement under applicable federal and state securities Laws (or to obtain an exemption from such qualification). The Company will make all filings and reports relating to the offer and sale of the Shares required under applicable federal and state securities Laws following the Closing Date.

IV.4 No Integration. The Company will not sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that will be integrated with the offer or sale of the Shares in a manner that would violate the integration rules and policies of the Commission and/or any state securities regulatory, or require the registration under the Securities Act of the sale of the Shares to the Purchaser.

IV.5 Publicity. The Company shall be permitted, without the prior consent of Purchaser, to issue a press release in connection with the closing of the Private Placement. Such press release may include the total number of shares of Common Stock and Nonvoting Preferred Stock sold and the amount of capital raised pursuant to the Private Placement, including shares acquired by the Purchaser and the Other Purchasers. Without limiting the foregoing, the Company shall not publicly disclose the name of the Purchaser or any Affiliate or investment adviser of the Purchaser, or include the name of the Purchaser or any Affiliate or investment adviser of the Purchaser in any press release or in

any filing with the Commission or any regulatory agency (other than in such filings as may be requested by the Federal Reserve in connection with this Private Placement), without the prior written consent of the Purchaser, except to the extent such disclosure is required by Law, in which case the Company shall provide the Purchaser with prior written notice of such disclosure permitted hereunder and a reasonable opportunity to provide comments on such disclosure.

4.6 Confidentiality. Except with the prior written consent of the Company or as otherwise required by Law, the Purchaser will keep confidential and will not disclose, in whole or in part, any Confidential Information (other than to its Representatives), and the Purchaser will use its reasonable best efforts to cause its Representatives who are provided Confidential Information to keep such Confidential Information confidential in accordance with the terms of this Section 4.6 to the fullest extent as if they were parties hereto.

4.7 Indemnification.

(a) Indemnification of the Purchaser. The Company will indemnify and hold each Individual Purchaser and their directors, officers, shareholders, members, managers, partners, employees, agents, successors and assigns (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls any Individual Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, managers, members, partners, employees, agents, successors and permitted assigns (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling Person (each, an **"Indemnified Person")** harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs, interest and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and expenses and costs of investigation, preparation and defense (collectively, "Losses") that any such Indemnified Person may suffer or incur as a result of (i) any breach of or inaccuracy in any of the representations or warranties made by the Company in this Agreement, (ii) any breach or default in performance of any of the covenants or agreements made by the Company in this Agreement, or (iii) any action instituted against an Indemnified Person in any capacity, or any of them or their respective Affiliates, by any Governmental Authority, shareholder of the Company or any other Person who is not an Affiliate of such Indemnified Person, arising out of the transactions contemplated by this Agreement and the other Transaction Documents. The Company will not be liable to any Indemnified Person under this Agreement to the extent, but only to the extent that a loss, claim, damage or liability is attributable to any Indemnified Person's breach of any of the representations, warranties, covenants or agreements made by such Indemnified Person in this Agreement. Any indemnification payment made pursuant to this Agreement shall be treated as an adjustment to purchase price for Tax purposes, except as otherwise required by Law.

(b) Conduct of Indemnification Proceedings. Promptly after receipt by any Indemnified Person of any notice of any demand, claim or circumstance which would or might give rise to a claim or the commencement of any Proceeding in respect of which indemnity may be sought pursuant to this Section 4.7 **("Indemnification Claim"),** such Indemnified Person will notify the· Company in writing of such Indemnification Claim; provided that the failure of any Indemnified Person to so notify the Company will not relieve the Company of its obligations hereunder except to the extent that such failure will have materially and adversely prejudiced the Company (as finally determined by a court of competent jurisdiction, which determination is not subject to appeal or further review). In the event that any Indemnification Claim would or might give rise to a claim or the commencement of any Proceeding by a third party **("Third Party Claim"),** the Company shall be entitled to assume and control the defense thereof, including the employment of counsel reasonably satisfactory to the applicable Indemnified Person at the Company's expense, ifthe Company gives notice to the Indemnified Person of its intent to do so within twenty (20) Business Days of the Company's receipt of notice of the Third Party Claim from the Indemnified Person and agrees in writing, subject to the limitations and other provisions set forth in this Agreement, that it shall indemnify the Indemnified Person with respect to such Third Party Claim. In any Third Party Claim, any Indemnified Person will have the right to retain its own counsel, but the fees and expenses of such counsel will be at the expense of such Indemnified Person, unless: (i) the Company and the Indemnified Person will have mutually agreed to the retention of such counsel; (ii) the Company will have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Person in such Proceeding; (iii) the Third Party Claim does not seek solely monetary relief, (iv) the Company does not conduct the defense of the Third Party Claim actively and diligently, or (v) in the reasonable judgment of counsel to such Indemnified Person, representation of both parties by the same counsel would be inappropriate due to actual or potential conflict of interest between them. The Company will not be liable for any settlement of any Proceeding related to any Indemnification Claim effected without its

written consent, which consent will not be unreasonably withheld, delayed or conditioned; provided that in the event the Company has not (i) assumed the defense in such Proceeding and (ii) agreed in writing that it shall indemnify the Indemnified Person with respect to such Proceeding, nothing set forth herein shall prohibit the Indemnified Person from effecting a settlement of such Proceeding and initiating an Indemnification Claim against the Company following such settlement. Without the prior written consent of the Indemnified Person, the Company will not effect any settlement of any pending or threatened Proceeding in respect of which any Indemnified Person is or could have been a party and indemnity could have been sought hereunder by such Indemnified Person, unless such settlement (i) includes an unconditional release of such Indemnified Person from all liability arising out of such Proceeding, (ii) ascribes no fault on the part of such Indemnified Person and (iii) provides for solely monetary relief. In the event the Company exercises the right to undertake any defense against any Third Party Claim as provided above, the Indemnified Person shall reasonably cooperate with the Company in such defense and to the extent possible make available to the Company all witnesses, pertinent records, materials and information in the Indemnified Person's possession or under the Indemnified Person's control relating thereto as is reasonably requested by the Company. Similarly, in the event the Indemnified Person is, directly or indirectly, conducting the defense against any Third Party Claim, the Company shall reasonably cooperate with the Indemnified Person in such defense and to the extent possible make available to the Indemnified Person all witnesses, records, materials and information in the Company's possession or under the Company's control relating thereto as is reasonably requested by the Indemnified Person.

(c) Limitation on Amount of Company's Indemnification Liability.

(i) Deductible. Except as provided otherwise in Section 4.6(c)(iii), the Company will not be liable for Losses that otherwise are indemnifiable under Section 4.6(a)(i) until the total of all Losses incurred by all Individual Purchasers collectively exceeds $350,000.

(ii) Maximum. Except as provided otherwise in Section 4.6(c)(iii), the maximum aggregate liability of the Company for all Losses under Section 4.6(a)(i) is the Subscription Amount.

(iii) Exceptions. The provisions of Section 4.6(c)(i) and (ii) do not apply to (A) claims due to the inaccuracy of any of the representations or breach of any warranties of the Company in Sections 3.l(a), 3.l(b), 3.l(c), 3.l(e), 3.l(f), 3.l(g), 3.l(i) and 3.l(nn) or (B) indemnification claims involving fraud or knowing and intentional misconduct on behalf of the Company. For purposes of the indemnity contained in Section 4.7(a), all qualifications and limitations set forth in the Company's representations and warranties as to "materiality," "Company's Knowledge," "Material Adverse Effect" and words of similar import shall be disregarded in determining whether there shall have been any inaccuracy in or breach of any representations and warranties in this Agreement.

4.8 Use of Proceeds. The Company intends to use all or substantially all of the net proceeds from the sale of the Shares to further capitalize the Company and the Bank for general corporate and working capital purposes. In addition, the Company may also use a portion of the proceeds of the offering to redeem all or a portion of its outstanding preferred stock or to repay all or a portion of our line of credit with First National Bankers Bank; if any. Additionally, the Company may. use the net proceeds to develop additional banking offices or to finance· bank or other acquisitions.

4.9 Limitation on Beneficial Ownership. Neither the Purchaser nor any of its Affiliates will be entitled to purchase a number of Shares that would result in such the Purchaser becoming, directly or indirectly, the beneficial owner (as determined under Rule 13d-3 under the Exchange Act) of more than 14.9% of the issued and outstanding shares of Common Stock (counting for such purposes the number of shares· of Common Stock into which any shares of Nonvoting Preferred Stock then outstanding are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock).

4.10 Certain Transactions. The Company will not merge or consolidate into, or sell, transfer or lease all or substantially all of its property or assets to, any other party unless the successor, transferee or lessee party, as the case may be (if not the Company), expressly assumes the due and punctual performance and observance of each and every covenant and condition of this Agreement to be performed and observed by the Company.

4.11 Conduct of Business. From the date hereof until the earlier of: (x) the Closing Date or (y) the termination of this Agreement in accordance with its terms, except (1) as contemplated by this Agreement or the Other Purchase Agreements and (2) as disclosed in Schedule 4.11, the Company will, and will cause its Subsidiaries to (a) operate their business in the ordinary course consistent with past practice, preserve intact the current business organization of the Company, use commercially reasonable efforts to retain the services of their employees, consultants and agents, preserve the current relationships of the Company and its Subsidiaries with material customers and other Persons with whom the Company and its Subsidiaries have and intend to maintain significant relations, maintain all of its operating assets in their current condition (normal wear and tear excepted) and will not take or omit to take any action that, if taken or omitted to be taken after January 1, 2011 and prior to the date hereof, would constitute a breach of Section 3.l(k), or (b) refrain from: (1) declaring, setting aside or paying any distributions or dividends on, or making any other distributions (whether in cash, securities or other property) in respect of, any of its capital stock; (2) splitting, combining or reclassifying any of its capital stock or issuing or authorizing the issuance of any other securities in respect of, in lieu of or in substitution for capital stock or any of its other securities; (3) purchasing, redeeming or otherwise acquiring any capital stock or any of its other securities or any rights, warrants or options to acquire any such capital stock or other securities; (4) issuing, delivering, selling, granting, pledging or otherwise disposing of or encumbering any capital stock, any other voting securities or any securities convertible into or exchangeable for, or any rights, warrants or options to acquire, any such capital stock, voting securities or convertible or exchangeable securities, other than any issuance of Common Stock on exercise of any compensatory stock options outstanding on the date of this Agreement; (5) acquiring or agreeing to acquire in any manner, including by way of merger, consolidation, or purchase of any capital stock or assets, any business of any Person or other business organization or division thereof; or (6) selling, transferring or otherwise disposing of (i) all or substantially all of the assets of the Company or any Subsidiary or (ii) any assets that are material to the business or the operation and management of the business of the Company and the Subsidiaries.

4.12 Delivery of Financial Statements; VCOC Rights.

(a) The Company shall deliver to the Purchaser:

(i) as soon as practicable, but in any event within ninety (90) days after the end of each fiscal year of the Company, (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements audited and certified by independent public accountants selected by the Company, and the chief financial officer and chief executive officer of the Company shall certify in writing that such financial statements were prepared in accordance with GAAP consistently applied with prior practice for earlier periods and fairly present the financial condition of the Company and its results of operation for the periods specified therein;

(ii) as soon as practicable, but in any event within forty five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, unaudited statements of income and of cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP), and the chief financial officer and chief executive officer of the Company shall certify in writing that such financial statements were prepared in accordance with GAAP consistently applied with prior practice for earlier periods (except as otherwise set forth in this Section 4.12(a)(ii)) and fairly present the financial condition of the Company and its results of operation for the periods specified therein;

(iii) as soon as practicable following the request of the Purchaser, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Purchaser to calculate its

percentage equity ownership in the Company, and certified by the chief financial officer or chief executive officer of the Company as being true, complete, and correct; and

(iv) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as the Purchaser may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Section 4.12(a)(iv) to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

(b) Purchaser and, at the written request of and at a time in conjunction with Purchaser, each Affiliate of Purchaser that indirectly has an interest in the Shares through Purchaser, in each case that is intended to qualify as a "venture capital operating company" (a **"VCOC")** as defined in the U.S. Department of Labor Regulations codified at 29 C.F.R. Section 2510.3-101 (each, a **"VCOC Investor"),** will have customary and appropriate VCOC rights relating to inspection, information and consultation with respect to the Company (including customary consultation, inspection and access rights at mutually agreeable times (but not more frequently than quarterly)). The Company agrees to consider, in good faith, the recommendations of the VCOC Investor or its designated representative in connection with the matters on which it is consulted as described above, recognizing that the ultimate discretion with respect to all such matters shall be retained by the Company.

4.13 Registration Rights. Contemporaneously with the execution and delivery of this Agreement, the Company and the Purchaser shall execute and deliver the Registration Rights Agreement.

4.14 No Rights Agreement. From and after the date hereof and, from the after the Closing, for so long as the Purchaser, together with its Affiliates, continues to own in the aggregate 4.9% or more of all of the issued and outstanding shares of Common Stock (provided that, in making such calculation, (A) the numerator shall be equal to the number of shares of Common Stock then owned by the Purchaser (counting for such purposes the number of shares of Common Stock into which any shares of Nonvoting Preferred Stock then owned by the Purchaser are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock), and (B) the denominator shall be equal to (1) the number of shares of Common Stock then owned by all shareholders (counting for such purposes the number of shares of Common Stock into which any shares of Nonvoting Preferred Stock then owned by all shareholders are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock), minus (2) the number of shares of Common Stock (counting for such purposes all shares of Common Stock into which any shares of Nonvoting Preferred Stock are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock) issued by the Company following the Closing Date to Persons other than Purchaser and its Affiliates in connection with any issuance in which the Purchaser or its Affiliates (or any permitted assignee of Purchaser or its Affiliates under Section 6.5) was not offered (whether before such issuance or, in the case of an Expedited Issuance, following such issuance) the right to purchase its Pro Rata Portion of such Common Shares in accordance with Section 4.16) (the **"Qualifying Ownership Interest"),** the Company shall not enter into any poison pill agreement, shareholders' rights plan or similar agreement that shall limit the rights of the Purchaser and its Affiliates to hold any shares of Common Stock or acquire additional securities of the Company unless such poison pill agreement, shareholders' rights plan or similar agreement grants an exemption or waiver to the Purchaser and its Affiliates and associates and any group in which the Purchaser may become a member, immediately effective upon execution of such plan or agreement, that would allow the Purchaser and its Affiliates and associates to acquire such additional securities of the Company.

4.15 Governance Matters.

(a) Within ten (10) Business Days subsequent to the receipt of a written request (the **"Request")** of the Purchaser to have a Board Representative (as hereinafter defined) appointed to the Board of Directors in accordance with the terms of this Section 4.15, the Company and the Bank will request, to the extent required, the non-objection or approval of the Federal Reserve to the appointment of the Board Representative. The Company further covenants and agrees that within five (5) days of the earlier to occur of (x) the receipt of the Request, if the approval or non-objection of the Federal Reserve is not required, and (y) the receipt of the non-objection or

approval of the Federal Reserve, the Board of Directors shall cause one (1) person nominated by the Purchaser to be elected or appointed to the Board of Directors as well as to the board of directors of the Bank (the **"Bank Board"),** subject to satisfaction of the legal, bank regulatory and governance requirements regarding service as a director of the Company and to the reasonable approval of the Nominating and Governance Committee of the Board of Directors **("Governance Committee")** (such approval not to be unreasonably withheld or delayed). After such appointment or election of a Board Representative, so long as the Purchaser has a Qualifying Ownership Interest, the Company will be required to recommend to its shareholders the election of the Board Representative at the Company's annual meeting, subject to satisfaction of the legal and governance requirements regarding service as a director of the Company and to the reasonable approval of the Governance Committee (such approval not to be unreasonably withheld or delayed). If the Purchaser no longer has a Qualifying Ownership Interest, the Purchaser will have no further rights under Sections 4.15(a) through 4.15(c) and, at the written request of the Board of Directors, shall use all reasonable best efforts to cause its Board Representative to resign from the Board of Directors and the Bank Board as promptly as possible thereafter. The Purchaser shall promptly inform the Company if and when it ceases to hold a Qualifying Ownership Interest in the Company and the Company shall provide, at its own expense, the Purchaser with all such information as the Purchaser may reasonably request for the calculation of Purchaser's Qualifying Ownership Interest.

(b) The Board Representative shall, subject to applicable law, be one of the nominees of the Company and of the Governance Committee to serve on the Board of Directors. The Company shall use its reasonable best efforts to have the Board Representative elected as a director of the Company by the shareholders of the Company and the Company shall solicit proxies for the Board Representative to the same extent as it does for any of its other Company nominees to the Board of Directors. The Company shall ensure, and shall cause the Bank to ensure, that each committee of the Board of Directors and any equivalent committees of the Bank to which the Board Representative is appointed shall have at least four (4) members for so long as the Purchaser shall have the right to appoint a Board Representative. The Purchaser covenants and agrees to hold all such information obtained from its Board Representative in confidence pursuant to the confidentiality and non-disclosure provisions of Section 4.6 above.

(c) Subject to Section 4.15(a), upon the death, resignation, retirement, disqualification, or removal from office as a member of the Board of Directors or the Bank Board of the Board Representative, the Purchaser shall have the right to designate the replacement for such Board Representative, which replacement shall satisfy all legal, bank regulatory and governance requirements regarding service as a director of the Company, and shall be reasonably acceptable to the Governance Committee (such approval not to be unreasonably withheld). The Board of Directors and the Bank Board shall use their respective commercially reasonable efforts to take all action required to fill the vacancy resulting therefrom with such person (including such person, subject to applicable law, being one of the Company's and the Governance Committee's nominees to serve on the Board of Directors and the Bank Board, using all reasonable best efforts to have such person elected as director of the Company by the

shareholders of the Company and the Company soliciting proxies for such person to the same extent as it does for any of its other nominees to the Board of Directors, as the case may be).

(d) The Company hereby agrees that, from and after the Closing Date, for so long as the Purchaser, together with its Affiliates, in the aggregate has a Qualifying Ownership Interest, the Company shall, subject to applicable law, invite a person designated by the Purchaser and reasonably acceptable to the Board of Directors (the **"Observer")** to attend all meetings of the Board of Directors and the Bank Board (including any meetings of committees thereof which a Board Representative would be permitted to attend) in a nonvoting, nonparticipating observer capacity. The Observer shall not have any right to vote on any matter presented to the Board of Directors or the Bank Board or any committee thereof. The Company shall give the Observer written notice of each meeting of the Board of Directors and the Bank Board at the same time and in the same manner as the members of the Board of Directors or the Bank Board (as the case may be), shall provide the Observer with all written materials and other information given to members of the Board of Directors or the Bank Board (as the case may be) at the same time such materials and information are given to such members and shall permit the Observer to attend as an observer all meetings thereof, and in the event the Company proposes to take any action by written consent in lieu of a meeting, the Company shall give written notice thereof to the Observer prior to the effective date of such consent describing the nature and substance of such action and including the proposed text of such written consents; provided, however, that (1) the Observer may be excluded from executive sessions comprised solely of independent directors by the chairman of the Board of Directors (or, if applicable, the lead or presiding independent director) if, in the written advice of counsel, such exclusion is necessary in order for the Company to comply with applicable law, regulation or stock

exchange listing standards (it being understood that it is not expected that the Observer would be excluded from routine executive sessions), (2) the Company, the Board of Directors, the Bank and the Bank Board shall have the right to withhold any information and to exclude the Observer from any meeting or portion thereof if doing so is, in the written advice of counsel, (A) necessary to protect the attorney-client privilege between such party and counsel or (B) necessary to avoid a violation of fiduciary requirements under applicable law and (3) the Purchaser shall use reasonable best efforts to cause its Observer to agree to hold in confidence and trust and to act in a fiduciary manner with respect to all information provided to such Observer. The Purchaser covenants and agrees to hold all such information obtained from its Observer as provided in the prior sentence in confidence pursuant to the confidentiality and non-disclosure provisions of Section 4.6 above. If the Purchaser and its Affiliates in the aggregate no longer have a Qualifying Ownership Interest, the Purchaser will have no further rights under this Section 4.15(d).

(e) The Board Representative shall be entitled to compensation, including fees, and indemnification and insurance coverage in connection with his or her role as a director to the same extent as other directors on the Board of Directors or the Bank Board, as applicable, and the Board Representative shall be entitled to reimbursement for reasonable documented, out-of-pocket expenses incurred in attending meetings of the Board of Directors and the Bank Board, or any committee thereof in accordance with Company policy.

(f) Each of the Company and the Bank acknowledges that the Board Representative may have certain rights to indemnification, advancement of expenses and/or insurance provided by the Purchaser and/or certain of its Affiliates (collectively, the **"Purchaser Indemnitors").** The Company hereby agrees on behalf of itself and the Bank that with respect to a claim by the Board Representative for indemnification arising out his or her service as a director of the Company and/or the Bank (1) that it is the indemnitor of first resort (i.e., its obligations to the Board Representative are primary and any obligation of the Purchaser Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by the Board Representative are secondary), and (2) that it shall be required to advance the full amount of expenses incurred by the Board Representative and shall be liable for the full amount of all expenses and liabilities incurred by the Board Representative, in each case to the extent legally permitted and as required by the terms of this Agreement and the articles of incorporation or charter, as applicable, and bylaws of the Company and the Bank (and any other agreement regarding indemnification between the Company and/or the Bank, on the one hand, and the Board Representative, on the other hand), subject to the satisfaction of any conditions imposed on the advancement of expense as may be required by the articles of incorporation or charter, as applicable, or bylaws of the Company and the Bank or under applicable law and regulation, without regard to any rights the Board Representative may have against any Purchaser Indemnitor. The Company further agrees that no advancement or payment by any Purchaser lndemnitor on behalf of the Board Representative with respect to any claim for which the Board Representative has sought indemnification from the Company shall affect the foregoing and the Purchaser Indemnitors shall have a right of contribution and/or

be subrogated to the extent of such advancement or payment to all of the rights of recovery of the Board Representative against the Company. The Company agrees that the Purchaser lndemnitors are express third party beneficiaries of the terms of this Section 4.15(f).

(g) For purposes of this Agreement, **"Board Representative"** means such person designated by the Purchaser to be elected or appointed to the Board of Directors and the Bank Board in accordance with all legal, bank regulatory and governance requirements regarding service and election or appointment as a director of the Company, or any individual designated as a replacement Board Representative pursuant to Section 4.15(c) hereof. Notwithstanding anything to the contrary herein, in no event shall any failure to meet any applicable residency requirement be a valid reason for withholding approval of the Board Representative (or any replacement Board Representation) by the Governance Committee, the Board of Directors, the Bank Board or the Company, as the case may be, under this Section 4.15.

4.16 Rights to Purchase New Securities.

(a) For so long as the Purchaser, together with its Affiliates, has not transferred any Shares acquired pursuant to this Agreement to one or more third parties, Purchaser shall have the right to purchase, on the terms and conditions set forth herein, Purchaser's Pro Rata Portion of (i) any Company Securities, or (ii) any Subsidiary Securities, in each case that the Company or the Company's Subsidiary may propose to issue (each of (i) and (ii), the **"New Securities").** Except as otherwise provided herein, the **"Pro Rata Portion"** of New Securities that the Purchaser shall be entitled to purchase in the aggregate shall be determined by multiplying (x) the total number or principal amount of such offered New Securities by (y) a fraction, the numerator of which is the total number of shares

of Common Stock then held by the Purchaser (counting for such purposes all shares of Common Stock into which any shares of Nonvoting Preferred Stock owned by the Purchaser are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock), if any, and the denominator of which is the total number of shares of Common Stock then outstanding (counting for such purposes all shares of Common Stock into which any shares of Nonvoting Preferred Stock owned by all shareholders are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock).

(b) The Company shall give Purchaser notice (an **"Issuance Notice")** of any proposed issuance or sale by the Company or any Subsidiary of the Company of any New Securities at least thirty (30) days prior to the proposed issuance or sale date. The Issuance Notice shall specify the price at which such New Securities are to be issued or sold and the other material terms of the issuance. Subject to Section 4.16(f) below, Purchaser shall be entitled to purchase up to Purchaser's Pro Rata Portion of the New Securities proposed to be issued or sold, at the price and on the terms specified in the Issuance Notice.

(c) If Purchaser is to purchase any or all of its Pro Rata Portion of the New Securities specified in the Issuance Notice, Purchaser shall deliver written notice to the Company (an **"Exercise Notice")** of its election to purchase such New Securities within thirty (30) days after the date of the Issuance Notice. The Exercise Notice shall specify the number (or amount) of New Securities to be purchased by Purchaser and shall constitute exercise by Purchaser of its rights under this Section 4.16 and a binding agreement of Purchaser to purchase, at the price and. on the terms and conditions specified in the Issuance Notice, the number of shares (or amount) of New Securities specified in the Exercise Notice. If, at the termination of such thirty (30)-day period, Purchaser shall not have delivered an Exercise Notice to the Company, Purchaser shall be deemed to have waived all of its rights under this Section 4.16 with respect to the purchase of such New Securities (but not with respect to the purchase of future issuances of New Securities).

(d) The Company or the applicable Subsidiary thereof shall have sixty (60) days after the date of the Issuance Notice to consummate the proposed issuance or sale of any or all of such New Securities that Purchaser has not elected to purchase at the price and upon terms and conditions specified in the Issuance Notice; provided that, if such issuance is subject to regulatory approval, such sixty (60)-day period shall be extended until the expiration of ten (10) Business Days after all such approvals have been received, but in no event later than one hundred twenty (120) days after the date of the Issuance Notice. If the Company or a Subsidiary thereof proposes to issue or sell any such New Securities after such sixty (60)-day (or 120-day) period, it shall again comply with the procedures set forth in this Section 4.16.

(e) At the consummation of the issuance or sale of such New Securities, the Company or the applicable Subsidiary thereof shall issue certificates or instruments representing the New Securities to be purchased by Purchaser in connection with exercising its preemptive rights pursuant to this Section 4.16 registered in the name of Purchaser, promptly following payment by Purchaser of the purchase price for such New Securities in accordance with the terms and conditions as specified in the Issuance Notice.

(f) Notwithstanding the foregoing, Purchaser shall not be entitled to purchase New Securities as contemplated by this Section 4.16 in connection with issuances or sales of New Securities (i) to employees, officers, directors or consultants of the Company pursuant to any employee benefit plans or compensatory arrangements approved by the Board of Directors (including upon the exercise of employee stock options granted pursuant to any such plans or arrangements), (ii) as consideration in connection with any bona fide, arm's-length direct or indirect merger, acquisition or similar transaction, (iii) in connection with the exercise or conversion of outstanding Company Securities or any interest payment, dividend or distribution in respect of outstanding Company Securities, (iv) in connection with any expedited issuance of New Securities undertaken at the written direction of an applicable Bank Regulatory Authority, or (v) in connection with the issuance of Company Securities pursuant to the Other Purchase Agreements. Purchaser shall not be entitled to purchase New Securities to the extent that such purchase would cause Purchaser to be in breach of its obligations under Sections 4.9 and 4.17, respectively.

(g) Notwithstanding the foregoing provisions of this Section 4.16, if a majority of the directors of the Board of Directors determines that it is in the best interests of the Company to issue equity or debt securities on an expedited basis, then the Company may consummate the proposed issuance or sale of such securities prior to the

expiration of the time periods set forth in Sections 4.16(b) and (c) (an **"Expedited Issuance").** In connection with such Expedited Issuance, the Company and the Board of Directors shall make appropriate provision in order to comply with the provisions of this Section 4.16 following the completion of such Expedited Issuance. The sale of any such additional New Securities under this Section 4.16(g) to the Purchaser and to the Other Purchasers pursuant to similar provisions in the Other Purchase Agreements shall be consummated as promptly as is practicable, but in any event no later than ninety (90) days subsequent to the date on which the Company consummates the Expedited Issuance. Notwithstanding anything to the contrary in this Agreement, no rights of the Purchaser under this Agreement will be adversely affected solely as the result of the temporary dilution of its percentage ownership of Common Shares due to an Expedited Issuance under this Section 4.16(g); provided, however, that such rights may be adversely affected from and after such time, if any, that the Purchaser declines to purchase Common Shares offered to the Purchaser under this Section 4.16.

(h) The Company and the Purchaser shall cooperate in good faith to facilitate the exercise of the Purchaser's rights under this Section 4.16, including to secure any required third party approvals or consents.

4.17 Avoidance of Control. Notwithstanding anything to the contrary in this Agreement, neither the Company nor any Subsidiary shall take any action (including, without limitation, any redemption, repurchase, rescission or recapitalization of Common Stock, or securities or rights, options or warrants to purchase Common Stock, Nonvoting Preferred Stock or other securities of any type whatsoever that are, or may become, convertible into or exchangeable into or exercisable for Common Stock) that would cause the Individual Purchasers, collectively and together with their affiliates (as such term is used in the BHC Act), (I) to be deemed to own (x) twenty five percent (25%) or more of the outstanding shares of any class of Voting Securities, or (y) (A) fifteen percent (15%) or more of the outstanding shares of any class of Voting Securities and (B) thirty-three percent (33%) or more of the total equity of the Company, or (II) to otherwise control the Company, under the BHC Act, the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions), in any such case without the prior written consent of each of the Individual Purchasers. Notwithstanding anything to the contrary in this Agreement, in the event that the transactions contemplated hereby would cause the Individual Purchasers, collectively and together with their affiliates (as such term is used under the BHC Act), to be deemed to own (x) twenty five percent (25%) or more of the outstanding shares of any class of Voting Securities, or (y) (A) fifteen percent (15%) or more of the outstanding shares of any class of Voting Securities and (B) thirty-three percent (33%) or more of the total equity of the Company, or to otherwise control the Company, under the BHC Act, the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions), then the Individual Purchasers shall collectively purchase the highest aggregate number of shares of Common Stock and Nonvoting Preferred Stock (and the Subscription Amount (including each such Individual Purchaser's portion of the Subscription Amount) shall be reduced accordingly) such

that the Individual Purchasers will not collectively be deemed to own (x) twenty five percent (25%) or more of the outstanding shares of any class of Voting Securities, or (y) (A) fifteen percent (15%) or more of the outstanding shares of any class of Voting Securities and (B) thirty-three percent (33%) or more of the total equity of the Company, or to otherwise control the Company, under the BHC Act, the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions). In the event either the Company or the Purchaser breaches its obligations under this Section 4.17 or believes that it is reasonably likely to breach such an obligation, it shall promptly notify the other party hereto and shall cooperate in good faith with such party to modify ownership or make other arrangements or take any other action, in each case, as is necessary to cure or avoid such breach.

4.18 Inspection. The Company shall permit the Purchaser, at the Purchaser's expense, to visit and inspect the Company's and each of its Subsidiaries' properties; examine each of their respective books of account and records; and discuss with each of their respective officers their affairs, finances, and accounts, during normal business hours as may be reasonably requested by the Purchaser; provided, however, that (a) such right of inspection may be exercised by the Purchaser only once per calendar quarter, and (b) neither the Company nor any Subsidiary shall be obligated pursuant to this Section 4.18 to provide access to any information that the Company or its Subsidiary reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company, its Subsidiaries and their respective legal counsel.

4.19 FDIC Final Statement of Policy on Qualifications for Failed Bank Acquisitions. So long as the Purchaser holds any Shares, the Company will not, without the consent of the Purchaser, take any action, directly or indirectly, through its subsidiaries or otherwise, that the Board of Directors believes in good faith would reasonably be

expected to cause the Purchaser to be subject to transfer restrictions or other covenants of the FDIC Final Statement of Policy on Qualifications for Failed Bank Acquisitions as in effect at the time of taking such action.

ARTICLE V

CONDITIONS PRECEDENT TO CLOSING

5.1 Conditions Precedent to the Purchaser's Obligations. The obligation of the Purchaser to purchase the Shares at the Closing is subject to the fulfillment to the Purchaser's satisfaction, on or prior to the Closing Date, of each of the following conditions, any of which may be waived by the Purchaser in writing:

(a) Representations and Warranties. The representations and warranties of the Company contained herein shall be true and correct as of the date when made and as of the Closing Date, as though made on and as of such date, except for such representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date.

(b) Performance. The Company will have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by it at or prior to the Closing.

(c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that seeks to restrain, prohibit or rescind the transactions contemplated by this Agreement, including prohibiting or restricting the Purchaser or any of its Affiliates from owning any Shares in accordance with the terms and conditions of this Agreement.

(d) Consents. The Company shall have obtained in a timely fashion any and all consents, permits, approvals, registrations and waivers necessary for consummation of the purchase and sale of the Shares, all of which will be and remain so long as necessary in full force and effect.

(e) Company Deliverables. The Company shall have delivered the Company Deliverables in accordance with Section 2.3(a).

(f) Minimum Gross Proceeds. The Company shall have received (or shall receive concurrently with the Closing) gross proceeds from the Private Placement (including, without limitation, the sale of the Shares to the Purchaser pursuant to this Agreement), at a price per share equal to the Purchase Price, in an aggregate amount of not less than $75,000,000.

(g) No Burdensome Condition. Since the date hereof, there shall not be any action taken, or any law, rule or regulation enacted, entered, enforced or deemed applicable to the Company or its Subsidiaries, the Purchaser (or its Affiliates) or the transactions contemplated by this Agreement, by any Governmental Authority (including any Bank Regulatory Authority) which imposes any new restriction or condition on the Company or its Subsidiaries or the Purchaser or any of its Affiliates (other than such restrictions as· are described in any passivity or anti-association commitments, as may be amended from time to time, entered into by the Purchaser) which the Purchaser determines, in its reasonable good faith judgment, is materially and unreasonably burdensome on the Company's business following the Closing or on the Purchaser (or any of its Affiliates) or would reduce the economic benefits of the transactions contemplated by this Agreement to the Purchaser to such a degree that the Purchaser would not have entered into this Agreement had such condition or restriction been known to it on the date hereof (any such condition or restriction, a **"Burdensome Condition"),** and, for the avoidance of doubt, any requirements to disclose the identities of limited partners, shareholders or members of the Purchaser or its Affiliates or its investment advisers, other than the identities of Affiliates of the Purchaser, shall be deemed a Burdensome Condition unless otherwise determined by the Purchaser in its sole discretion.

(h) Termination. This Agreement shall not have been terminated in accordance with Section 6.13 herein.

(i) Bank Regulatory Issues. (1) The purchase of the Shares shall not (i) cause the Purchaser or any of its Affiliates to violate any bank regulation, (ii) require the Purchaser or any of its affiliates (as such term is used in the BHC Act or the CIBC Act, as applicable) to file a prior notice with the Federal Reserve or its delegee under the CIBC Act or the BHC Act or obtain the prior approval of any bank regulator or (iii) cause the Purchaser, together with any other Person whose Company securities would be aggregated with the Purchaser's Company securities for purposes of any bank regulation or law, to collectively be deemed under the BHC Act, the CIBC Act, any other applicable bank regulation or law, or any rules or regulations promulgated thereunder (or any successor provisions) to own, control or have the power to vote securities which (assuming, for this purpose only, full conversion and/or exercise of such securities by the Purchaser which are convertible or exercisable by their terms in the hands of the Purchaser) would represent more than 9.9% of the Voting Securities outstanding at such time, and (2) the Federal Reserve shall have accepted the Purchaser's usual and customary passivity and anti-association commitments.

(j) Material Adverse Effect. No Material Adverse Effect shall have occurred since the date of this Agreement;

(k) Federal Reserve. The Purchaser shall have received confirmation, satisfactory in its reasonable good faith judgment, from the Federal Reserve or the Federal Reserve Bank of Dallas, as applicable, and the OFI, to the effect that the purchase of the Shares and the consummation of the Closing and the transactions contemplated by the Purchase Agreement or the Registration Rights Agreement will not result in the Purchaser or any of its Affiliates being deemed in control of the Company or the Bank for purposes of the BHC Act, the Federal Reserve's Regulation Y and the Laws of the State of Louisiana; and

(l) Certificate of Designations. The Certificate of Designations shall have been duly adopted and shall have been filed with and certified by the Louisiana Secretary of State.

5.2 Conditions Precedent to the Company's Obligations. The Company's obligation to sell and issue the Shares to the Purchaser at the Closing is subject to the fulfillment to the satisfaction of the Company, on or prior to the Closing Date, of each of the following conditions, any of which may be waived by the Company:

(a) Representations and Warranties. The representations and warranties of the Purchaser contained herein shall be true and correct as· of the date when made and as of the Closing Date (other than any inaccuracies that, individually or in the aggregate, would not materially and adversely impact the Purchaser's ability

to fund the Subscription Amount and close the Private Placement in a timely manner), as though made on and as of such date, except for such representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date.

(b) Performance. The Purchaser will have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Purchaser at or prior to the Closing.

(c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that seeks to restrain, prohibit or rescind the transactions contemplated by this Agreement, including prohibiting or restricting the Purchaser or any of its Affiliates from owning any Shares in accordance with the terms and conditions of this Agreement.

(a) Purchaser Deliverables. The Purchaser shall have delivered its Purchaser Deliverables in accordance with Section 2.3(b).

(b) Termination. This Agreement shall not have been terminated in accordance with Section 6.13 herein.

ARTICLE VI

MISCELLANEOUS

6.1 Entire Agreement. This Agreement, together with the exhibits and schedules hereto, and the Registration Rights Agreement contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, discussions and representations, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules. At or after the Closing, and without further consideration, the Company and the Purchaser will execute and deliver to the other party such further documents as may be reasonably requested in order to give practical effect to the intention of the parties under this Agreement and the Registration Rights Agreement.

6.2 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder will be in writing and will be deemed given and effective on the earliest of (a) the date of transmission, if such notice or communication is delivered via facsimile (provided the sender receives a machine-generated confirmation of successful transmission) at the facsimile number specified in this Section 6.2 or via electronic mail to the electronic mail address specified in this Section 6.2 prior to 5 :00 p.m., Ruston, Louisiana time, on a Business Day, (b) the next Business Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number specified in this Section 6.2 or via electronic mail to the electronic mail address specified in this Section 6.2 on a day that is not a Business Day or later than 5:00 p.m., Ruston, Louisiana time, on any Business Day, (c) the Business Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service with next day delivery specified, or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications will be as follows:

If to the Company:	Community Trust Financial Corporation 1511 N. Trenton Street Ruston, Louisiana 71270 Attention: Drake D. Mills Telephone: (318) 254-7422 Fax: (318) 254-7429 E-mail Address: drake@ctbonline.com
With a copy to:	Jones, Walker, Waechter, Poitevent, Carrére & Denégre L.L.P. 190 E. Capitol St., Suite 800 Jackson, Mississippi Attention: J. Andrew Gipson Telephone: (601) 949-4789 Fax: (601) 949-4804 E-mail Address: agipson@joneswalker.com
If to the Purchaser:	Pine Brook Road Partners, LLC One Grand Central Place 60 East 42nd Street, 50th Floor New York, New York 10165 Attention: Oliver Goldstein Telephone: (212) 847-4330 Fax: (212) 847-4331 E-mail Address: ogoldstein@pinebrookpartners.com
With a copy to:	Skadden, Arps, Slate, Meagher & Flom LLP 4 Times Square New York, New York 10036 Attention: William S. Rubenstein Telephone: (212) 735-3000 Fax: (917) 777-3000 E-mail Address: william.rubenstein@skadden.com

or such other address as may be designated in writing hereafter, in the same manner, by such Person.

6.3 Amendments; Waivers. No amendment or waiver of any provision of this Agreement will be effective with respect to any party unless made in writing and signed by an officer or a duly authorized representative of such party.

6.4 Construction. The headings herein are for convenience only, do not constitute a part of this Agreement and will not be deemed to limit or affect any of the provisions hereof. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. This Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

6.5 Successors and Assigns. The provisions of this Agreement will inure to the benefit of and be binding upon the parties and their successors and permitted assigns. Neither this Agreement, nor any rights or obligations hereunder, may be assigned by the Company without the prior written consent of the Purchaser. The Purchaser may assign its rights hereunder in whole or in part to any Person to whom the Purchaser assigns or transfers any Shares in compliance with this Agreement and applicable law; provided that such transferee will agree in writing to be bound, with respect to the transferred Shares, by the terms and conditions of this Agreement that apply to the "Purchaser."

6.6 No Third-Party Beneficiaries. Nothing contained in this Agreement, expressed or implied, is intended to confer or shall confer upon any person other than the express parties hereto, any benefit right or remedies, except as otherwise provided specifically herein. Notwithstanding the foregoing, the provisions of Sections 4.7 and Section 4.15 shall inure to the benefit of the persons referred to in those Sections to the extent provided therein.

6.7 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES SUBJECT TO THIS AGREEMENT WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF LOUISIANA, WITHOUT REGARD TO THE LAWS THAT MIGHT OTHERWISE GOVERN UNDER APPLICABLE PRINCIPLES OF CONFLICTS OF LAWS. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS TO PROCESS BEING SERVED IN ANY SUCH PROCEEDING BY MAILING A COPY THEREOF VIA REGISTERED OR CERTIFIED MAIL OR OVERNIGHT DELIVERY (WITH EVIDENCE OF DELIVERY) TO SUCH PARTY AT THE ADDRESS IN EFFECT FOR NOTICES TO IT UNDER THIS AGREEMENT AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE GOOD AND SUFFICIENT SERVICE OF PROCESS AND NOTICE THEREOF. NOTHING CONTAINED HEREIN SHALL BE DEEMED TO LIMIT IN ANY WAY ANY RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

6.8 Survival. The representations and warranties of the Purchaser contained herein will not survive the Closing. The representations, warranties, covenants and agreements of the Company shall survive the Closing; provided that, except with respect to the Fundamental Representations, which shall survive the Closing to the extent of the applicable statute of limitations, the representations and warranties of the Company shall survive the Closing for a period of twenty-four (24) months following the Closing Date; provided, further, that the Fundamental Representations shall survive indefinitely and the Statutory Representations shall survive until the expiration of the applicable statute of limitations; provided, further still, that if notice of an Indemnification Claim shall have been delivered by an Indemnified Person to the Company prior to the expiration of any representation, warranty, agreement or covenant of the Company in accordance with Section 4.7, this ARTICLE VI and the representations, warranties, agreements and covenants of the Company subject to such Indemnification Claim shall survive until the final resolution of such Indemnification Claim. Upon the expiration of the representations, warranties, agreements and covenants contained in this Agreement pursuant to this Section 6.8, such representations, warranties, agreements and covenants shall be deemed to be of no further force and effect.

6.9 Execution. This Agreement may be executed in any number of counterparts, each of which will be an original and all, when taken together, will be considered one and the same agreement. This Agreement will become effective when each party hereto will have received a counterpart hereof executed by the other party hereto. In the

event that any signature is delivered by facsimile transmission, or by e-mail delivery of a ".pdf' format data file, such signature will create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile signature page were an original thereof.

6.10 Severability. If any provision of this Agreement is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired thereby, and the parties will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, will incorporate such substitute provision in this Agreement.

6.11 Remedies. Each of the parties acknowledges that the other party would be irreparably damaged and would not have an adequate remedy at law for money damages in the event that any of the covenants contained in this Agreement was not performed in accordance with its terms or otherwise was materially breached. Accordingly, each of the parties agrees that, without the necessity of proving actual damages or posting bond or other security, the other party will be entitled to temporary or permanent injunction or injunctions, upon proper showing, to prevent breaches of such performance and to specific enforcement of such covenants in addition to any other remedy to which the party may be entitled, at law or in equity.

6.12 Independent Nature of Purchasers' Obligations and Rights. The obligations of the Purchaser under this Agreement are several and not joint with the obligations of any Other Purchaser pursuant to any Other Purchase Agreement, and the Purchaser shall not be responsible in any way for the performance of the obligations of any Other Purchaser under any Other Purchase Agreement. The decision of the Purchaser to purchase the Shares pursuant to this Agreement has been made by the Purchaser independently of any Other Purchaser and independently of any information, materials, statements or opinions as to the business, affairs, operations, assets, properties, liabilities, results of operations, condition (financial or otherwise) or prospects of the Company or any Subsidiary which may have been made or given by any Other Purchaser or by any agent or employee of any Other Purchaser, and neither the Purchaser nor any of its agents or employees shall have any liability to any Other Purchaser (or any other Person) relating to or arising from any such information, materials, statements or opinions. Nothing contained herein, and no action taken by the Purchaser pursuant hereto or thereto, shall be deemed to create a presumption that the Purchaser is in any way acting in concert or as a group with any Other Purchaser with respect to such obligations or the transactions contemplated by this Agreement. The Purchaser and the Other Purchasers shall be entitled to independently protect and enforce their rights, including the rights arising out of this Agreement,

the Registration Rights Agreement and the Other Purchase Agreements, and it shall not be necessary for any other investor to be joined as an additional party in any proceeding for such purpose.

6.13 Termination.

(a) This Agreement may be terminated prior to the Closing:

(i) by mutual written agreement of the Company and the Purchaser;

(ii) by any party, upon written notice to the other party, in the event that the Closing does not occur on or before the Outside Date (as such Outside Date may be extended pursuant to Section 2.2 of this Agreement); provided that the parties acknowledge that all consents from any Governmental Authorities described in Section 5.l(d) must be received as soon as reasonably practicable in order for the Purchaser to be able to consummate the transactions contemplated by this Agreement on or before December 31, 2012; provided, further, that the right to terminate this Agreement pursuant to this Section 6.13(a)(ii) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date;

(iii) by the Purchaser, upon written notice to the Company, if (A) there has been a breach of any representation, warranty, covenant or agreement made by the Company in this Agreement, or any such representation and warranty shall have become untrue after the date of this Agreement, such that Section 5.l(a) or Section 5.l(b) would not be satisfied and (B) such breach or condition is not curable or, if curable, is not cured prior to the date that would otherwise be the Closing Date in absence of such breach or condition; provided that the right of the Purchaser to terminate this Agreement pursuant to this Section 6.13(a)(iii) shall not be available if the Purchaser is in material breach of any of the terms of this Agreement;

(iv) by the Company, upon written notice to the Purchaser, if (A) there has been a breach of any representation, warranty, covenant or agreement made by the Purchaser in this Agreement, or any such representation and warranty shall have become untrue after the date of this Agreement, such that Section 5.2(a) or Section 5.2(b) would not be satisfied and (B) such breach or condition is not curable or, if curable, is not cured prior to the date that would otherwise be the Closing Date in absence of such breach or condition; provided that the right of the Company to terminate this Agreement pursuant to this Section 6.13(a)(iv) shall not be available if the Company is in material breach of any of the terms of this Agreement;

(v) by any party, upon written notice to the other parties, in the event that any Governmental Authority shall have issued any order, decree or injunction or taken any other action restraining, enjoining or prohibiting any of the transactions contemplated by this Agreement, and such order, decree, injunction or other action shall have become final and nonappealable; or

(vi) by the Purchaser, upon written notice to the Company, if the Purchaser or any of its Affiliates receives written notice from or is otherwise advised by, the Federal Reserve that the Federal Reserve will not grant (or intends to rescind or revoke if previously granted) any of the written confirmations or determinations referred to in Section 5.l(k).

(b) Nothing in this Section 6.13 will be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement. Upon a termination of this Agreement in accordance with this Section 6.13, this Agreement (other than Section 4.6 (except, in respect of any party, in connection with litigation against it by the other party or its Affiliates), Section 4.7 and ARTICLE VI (including, without limitation, this Section 6.13 and Section 6.14), which shall remain in full force and effect) shall forthwith become wholly void and of no further force and effect; provided, that nothing herein shall relieve any party from liability for willful breach of this Agreement.

VI.14 Expenses. The Company shall pay the reasonable legal fees and expenses of Skadden, Arps, Slate, Meagher & Flom LLP, counsel to the Purchaser, incurred by the Purchaser in connection with the transactions contemplated by this Agreement, and the Registration Rights Agreement, up to a maximum amount of $75,000 in the aggregate which amount shall be paid directly by the Company to Skadden, Arps, Slate, Meagher & Flom LLP at the Closing or paid by the Company to Purchaser upon termination of this Agreement so long as such termination did not occur as a result of a material breach by the Purchaser of any of its obligations hereunder. The Company shall be responsible for all closing and administrative fees and expenses, the fees and expenses of any Company advisors (including Company counsel and other professional fees), and fees and expenses of any broker or finders for which the Company is responsible. Except (i) as set forth elsewhere in this Agreement or the Registration Rights Agreement and (ii) with respect to any amounts owed to the Placement Agent relating to or arising out of the transactions contemplated hereby which shall be paid by the Company, each party hereto will pay its own costs and expenses relating to this Agreement, the negotiations leading upon this Agreement and the transactions contemplated by this Agreement.

VI.15 Replacement of Shares. If any certificate evidencing any Shares is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate, but only upon receipt of evidence reasonably satisfactory to the Company a:µd the Transfer Agent of such loss, theft or destruction and the execution by the holder thereof of a customary lost certificate affidavit of that fact and an agreement to indemnify and hold harmless the Company and the Transfer Agent for any losses in connection therewith or, if required by the Transfer Agent, a bond in such form and amount as is required by the Transfer Agent. The applicants for a new certificate under such circumstances shall also pay any reasonable third-party costs associated with the issuance of such replacement certificate. If a replacement certificate evidencing any Shares is requested due to a mutilation thereof, the Company may require delivery of such mutilated certificate as a condition precedent to any issuance of a replacement.

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[SIGNATURE PAGE FOR COMPANY FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

COMMUNITY TRUST FINANCIAL CORPORATION

By: /s/ Drake D. Mills
Drake D. Mills
Chairman, President and CEO

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[SIGNATURE PAGE FOR PURCHASER FOLLOWS]

[SIGNATURE PAGE TO SECURITIES PURCHASE AGREEMENT]

PINE BROOK CAPITAL PARTNERS, L.P.

By: Pine Brook Road Associates, L.P ., its General Partner

By: PBRA, LLC, its General Partner

By: /s/ Oliver Goldstein

Name: Oliver Goldstein
Title: Executive Vice President

PINE BROOK CAPITAL PARTNERS (SSP OFFSHORE) II, L.P.

By: Pine Brook Road Associates, L.P ., its General Partner

By: PBRA, LLC, its General Partner

By: /s/ Oliver Goldstein

Name: Oliver Goldstein
Title: Executive Vice President

PINE BROOK CAPITAL PARTNERS (CAYMAN), L.P.

By: Pine Brook Road Associates, L.P ., its General Partner

By: PBRA, LLC, its General Partner

By: /s/ Oliver Goldstein

Name: Oliver Goldstein
Title: Executive Vice President

[SIGNATURE PAGE TO SECURITIES PURCHASE AGREEMENT]

ANNEX I

Share and Subscription Amount Allocations

Individual Purchaser	**Share Allocation (%):**	**Share Allocation (Common Stock):**[1]	**Share Allocation (Nonvoting Preferred Stock):**[1]	**Subscription Amount Allocation ($):**
Pine Brook Capital Partners, L.P.	80.23%	650,534	325,267	$36,104,637
Pine Brook Capital Partners (SSP Offshore) II, L.P.	14.16%	114,845	57,423	$6,373,916
Pine Brook Capital Partners (Cayman), L.P.	5.60%	45,432	22,716	$2,521,476
Total:	**100%**	**810,811**	**405,406**	**$45,000,029**

[1] Share Allocations rounded to nearest whole share.

EXHIBITS

A: Stock Certificate Questionnaire

B: Form of Opinion of Company Counsel

C: Form of Secretary's Certificate

D: Form of Officer's Certificate

E: Form of Registration Rights Agreement

F: Form of Certificate of Designation

EXHIBIT A

Stock Certificate Questionnaire

Pursuant to Section 2.2(b) of the Agreement, please provide us with the following information:

1. The exact name that the Shares are to be registered in (this is the name that will appear on the stock certificate(s)). You may use a nominee name if appropriate: _____

2. The relationship between the Purchaser of the Shares and the Registered Holder listed in response to Item 1 above: _____

3. The mailing address, telephone and telecopy number of the Registered Holder listed in response to Item 1 above: _____

_____

_____

Attention:

Telephone:

Fax:

4. The Tax Identification Number (or, if an individual, the Social Security Number) of the Registered Holder listed in response to Item 1 above: _____

EXHIBIT B

Form of Opinion of Counsel

_____, 2012

Ladies and Gentlemen:

We have acted as special counsel to Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** in connection with the issuance and sale by the Company of _____ shares (the **"Shares")** of common stock,· par value $5.00 per share **("Common Stock"),** to _____ (the **"Purchaser"),** pursuant to that certain Securities Purchase Agreement by and between the Company and the Purchaser dated as of _____, 2012 (the **"Agreement"),** This opinion is being given pursuant to Section 2.3(a)(iii) of the Agreement. Capitalized terms not defined herein shall have the meanings given to them in the Agreement.

A. Basis of Opinion.

As the basis for the conclusions expressed in this opinion, we have reviewed and relied upon the following:

1. The Agreement and the related schedules and exhibits thereto;

2. The Registration Rights Agreement by and between the Company, the Purchaser and the other parties named therein, dated as of _____, 2012 (the **"Registration Rights Agreement"),** and all related schedules and exhibits thereto;

3. The Other Purchase Agreements and the related schedules and exhibits thereto;

4. A copy, certified by the Louisiana Secretary of State on _____ 2012, of the Articles of Incorporation of the Company;

5. The Bylaws of the Company, as certified to us by the Company;

6. Certificates, dated as of the date hereof, containing representations to this firm as to certain factual matters and executed by certain senior officers of the Company; and

7. Certificates of [_____] , dated as of recent dates, issued by various state and federal agencies and departments.

B. Opinion.

Based upon our examination and consideration of the foregoing, subject to the comments, assumptions, limitations, qualifications and exceptions set forth in Section C below, we are of the opinion that:

1. The Company is duly registered as a financial holding company under the Bank Holding Company Act of 1956, as· amended, and has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Louisiana. The Company has the requisite corporate power and authority to carry on its business as presently conducted.

2. Community Trust Bank (the **"Bank")** is duly organized as a Louisiana banking corporation and is validly existing and in good standing under the laws of the State of Louisiana. The Bank has the requisite power and authority as a banking corporation to carry on its business as presently conducted.

3. The Company has the corporate power and authority to execute and deliver and to perform its obligations under the Agreement, the Other Purchase Agreements and the Registration Rights Agreement, including, without limitation, to issue the Shares pursuant to the Agreement and to issue the shares of Common Stock pursuant to the Other Purchase Agreements.

4. The Agreement, the Other Purchase Agreements and the Registration Rights Agreement have been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery by the Purchaser or the Other Purchasers, as applicable, each of the Agreement, the Other Purchase Agreements and the Registration Rights Agreement constitutes the valid and binding obligation of the Company, enforceable against the Company in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) insofar as indemnification and contributions provisions may be limited by applicable law.

5. The execution and delivery by the Company of the Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the performance by the Company of its obligations under the Agreement, the Other Purchase Agreements and the Registration Rights Agreement, including its issuance and sale of the Shares, do not and will not: (a) contravene or result in any violation of the Articles of Incorporation or Bylaws of the Company, (b) require any consent, approval, license or exemption by, order or authorization of, or filing, recording or registration by the Company with any federal or state governmental authority (except as expressly contemplated by the Registration Rights Agreement), (c) violate any court order, judgment or decree, if any, applicable to or binding upon the Company or the Bank, (d) result in a breach of, or constitute a default under, any material contract to which the Company or the Bank is a party or by which any of their respective assets may be bound, or (e) violate or conflict with, or result in any contravention of, any federal, Louisiana or Louisiana law, rule or regulation applicable to the Company or the Bank.

6. The Shares have been duly and validly authorized and, when issued, delivered and paid for as contemplated in the Agreement, will be duly and validly issued, fully paid and non-assessable, and free of any preemptive right or similar rights contained in the Company's Articles of Incorporation or Bylaws.

7. The offer, sale and issuance of the Shares to the Purchaser in the manner contemplated by the Agreement, do not require registration under the Securities Act or any state securities or blue sky laws and was made pursuant to an exemption from registration afforded by Section 4(2) of the Securities Act and Regulation D promulgated thereunder.

8. Neither the Company nor any of its Subsidiaries is an "investment company" under the Investment Company Act of 1940, as amended.

C. Comments, Assumptions, Limitations, Qualifications and Exceptions.

The opinions expressed herein are based upon, and subject to, the further comments, assumptions, limitations, qualifications and exceptions set forth below.

1. We have assumed that (a) all factual information contained in all documents reviewed by us is true and correct, (b) all signatures on all documents reviewed by us are genuine, (c) all documents submitted as copies are true and complete copies of the originals thereof, (d) the Purchaser has all power and authority to execute, deliver, and perform its obligations under the Agreement and the Registration Rights Agreement, (e) the Agreement and the Registration Rights Agreement have been duly and validly authorized, executed, and delivered by the Purchaser, (f) the Agreement and the Registration Rights Agreement are valid and binding obligations of the Purchaser, enforceable against the Purchaser in accordance with their respective terms, (g) the Purchaser has delivered the

full Purchase Price for the Shares to be acquired pursuant to the Agreement, (h) each natural person signing any document reviewed by this firm had the legal capacity to do so, and (i) each person signing in a representative capacity for the Purchaser any document reviewed by this firm had authority to sign in such capacity.

2. With respect to factual matters relevant to our opinions, this firm has reviewed and relied solely upon the representations of the Company and the Purchaser made in the Agreement and in certificates of officers of the Company referred to in Section A above, and we have not undertaken to verify independently any of such factual matters, provided that nothing has come to our attention that caused us to believe such representations and certificates contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

3. In rendering the opinions set forth in Paragraph B.1 with respect to the good standing of the Company, we have relied solely on certificates of state authorities of the Company's good standing that this firm received in response to this firm's requests for confirmation of such good standing in such jurisdictions. In rendering the opinion set forth in Paragraph B.1 with respect to the registration of the Company as a financial holding company under the Bank Holding Company Act of 1956, as amended, we have relied solely on correspondence from the Federal Reserve Bank of Dallas received in response to this firm's request for confirmation of such registration and election of treatment. By necessity, our opinions set forth in Paragraphs B.1 are given as of the date of such certificates or correspondence. Nothing has come to our attention that would cause us to believe that such opinions have ceased to be valid as of the date of this opinion letter.

4. In rendering the opinion set forth in Paragraph B.4.(d), we have relied exclusively on our review of the Company's and the Bank's "material contracts" within the meaning of Item 60l(b)(10) of Regulation S-K promulgated by the Securities and Exchange Commission, that have been identified and disclosed to us by the Company and the Bank.

5. We express no opinion as to the laws of any jurisdiction other than the State of Louisiana and the federal laws of the United States of America. We express no opinion under the laws of the State of Louisiana or the federal laws of the United States of America with respect to any environmental, securities (other than as set forth in Paragraph B.6), tax or antitrust laws. We also express no opinion with respect to compliance by the Company or any other person with the Employee Retirement Income Security Act of 1974, or any comparable state laws.

6. Except as expressly set forth herein, we have made no independent investigation as to the accuracy or completeness of any representation, warranty, or other factual information, written or oral, made or furnished in connection with the documents referred to in Section A hereof, and no matters have come to our attention that would warrant such an investigation.

7. We have assumed that the parties to the Agreement have acted and will act in good faith.

8. Although we have acted as counsel to the Company in connection with certain matters other than the transactions contemplated by the Agreement, the Other Purchaser Agreements and the Registration Rights Agreement, our engagement is limited to certain matters about which we have been consulted. Consequently, there may exist matters of a factual or legal nature involving the Company as to which we have not been consulted and have not represented the Company.

9. This opinion is rendered based upon our interpretation of existing law, to the extent specified in Paragraph C.4, and is not intended to speak with reference to standards hereafter adopted or evolved in subsequent judicial decisions by courts. The opinions expressed herein are as of the date hereof, and we assume no obligation to update or supplement such opinions to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

10. This opinion letter is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein.

11. This opinion letter is delivered solely for your benefit, and no other party or entity is entitled to rely hereon without the express prior written consent of this firm.

Very truly yours,

[_____]

EXHIBIT C

Form of Secretary's Certificate

The undersigned hereby certifies that he is the duly elected, qualified and acting Corporate Secretary of Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** and that as such he is authorized to execute and deliver this certificate in the name and on behalf of the Company and in connection with the Securities Purchase Agreement, dated as of 2012, by and between the Company and the Purchaser party thereto (the **"Securities Purchase Agreement"),** and further certifies in her official capacity, in the name and on behalf of the Company, the items set forth below. Capitalized terms used but not otherwise defined herein will have the meaning set forth in the Securities Purchase Agreement.

1. Attached hereto as Exhibit A is a true, correct and complete copy of the resolutions duly adopted by the Board of Directors of the Company relating to the proposed transaction. Such resolutions have not in any way been amended, modified, revoked or rescinded, have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect.

2. Attached hereto as Exhibit B is a true, correct and complete copy of the Articles of Incorporation of the Company, together with all amendments thereto currently in effect, and no action has been taken to further amend, modify or repeal such Articles of Incorporation, the same being in full force and effect in the attached form as of the date hereof.

3. Attached hereto as Exhibit C is a true, correct and complete copy of the Bylaws of the Company, together with all amendments thereto currently in effect, and no action has been taken to further amend, modify or repeal such Bylaws, the same being in full force and effect in the attached form as of the date hereof.

4. Each person listed below has been duly elected or appointed to the position(s) indicated opposite his name and is duly authorized to sign the Securities Purchase Agreement and the related Registration Rights Agreement on behalf of the Company, and the signature appearing opposite such person's name below is such person's genuine signature.

Name	**Position**	**Signature**
Drake D. Mills	Chairman, President and CEO	_____

IN WITNESS WHEREOF, the undersigned has hereunto set his hand as of this ____ day of _____, 2012.

_____

Secretary

I, Drake D. Mills, Chairman, President and CEO, hereby certify that _____ is the duly elected, qualified and acting Secretary of the Company and that the signature set forth above is his true signature.

Drake D. Mills
Chairman, President and CEO

EXHIBIT D

Form of Officer's Certificate

The undersigned, the Chairman, President and CEO of Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** pursuant to Section 2.3(a)(vi) of the Securities Purchase Agreement, dated as of , 2012, by and between the Company and the Purchaser thereto (the **"Securities Purchase Agreement"),** hereby represents, warrants and certifies as follows (capitalized terms used but not otherwise defined herein shall have the meaning set forth in the Securities Purchase Agreement):

1. The representations and warranties of the Company contained in the Securities Purchase Agreement are true and correct as of the date when made and as of the Closing Date, as though made on and as of such date; except for such representations and warranties that speak as of a specific date.

2. The Company has performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Securities Purchase Agreement to be performed, satisfied or complied with by it at or prior to the Closing.

3. No Material Adverse Effect has occurred since the date of the Securities Purchase Agreement.

IN WITNESS WHEREOF, the undersigned has executed this certificate this ___ day of _____, 2012.

Drake D. Mills
Chairman, President and CEO

EXHIBIT E

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "**Agreement**") is made as of this ___ day of _____, 2012, by and among Community Trust Financial Corporation, a Louisiana corporation (the "**Company**"), the investors identified on the signature pages hereto and such other persons or entities that may become parties to this Agreement (collectively, the "**Holders**" and each individually a "**Holder**").

RECITALS

WHEREAS, the Company and the Holders are parties to certain Securities Purchase Agreements, dated as of the date hereof (the "**Securities Purchase Agreements**"), whereby the Holders have agreed to purchase and the Company has agreed to issue shares of the Company's common stock, par value $5.00 per share ("**Common Stock**"); and

WHEREAS, the Company and the Holders desire to be granted and to grant the rights created herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

(a) All capitalized terms used and not otherwise defined herein shall have the meanings given them in the Securities Purchase Agreements.

(b) "**Agreement**" has the meaning set forth in the Preamble.

(c) "**Beneficial Ownership**" by a Person of any securities includes ownership by any Person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares (i) voting power which includes the power to vote, or to direct the voting of, such security; and/or (ii) investment power which includes the power to dispose, or to direct the disposition, of such security; and shall otherwise be interpreted in accordance with the term "beneficial ownership" as defined in Rule 13d-3 adopted by the Commission under the Exchange Act. The term "Beneficially Own" shall have a correlative meaning.

(d) **"Business Day"** means any day other than a Saturday or a Sunday or a day on which Louisiana state banks are authorized or required by Law or executive order to close.

(e) "**Capital Stock**" means, with respect to any Person at any time, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of capital stock, securities convertible into or exchangeable or exerciseable for any of its shares, interests, participations or other equivalents, partnership interests (whether general or limited), limited liability company interests, or equivalent ownership interests in or issued by such Person.

(f) "**Commission**" shall mean the United States Securities and Exchange Commission, or any other federal agency at the time administering the Securities Act.

(g) "**Common Stock**" has the meaning set forth in the Recitals.

(h) "**Cutback Notice**" has the meaning set forth in Section 2(c).

(i) "**Demanding Holders**" has the meaning set forth in Section 2(a).

(j) "**Demanding Notice**" has the meaning set forth in Section 2(a).

(k) "**Demand Registration**" has the meaning set forth in Section 2(a).

(l) "**Demand Suspension**" has the meaning set forth in Section 6(b).

(m) "**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended, or any similar federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

(n) "**FINRA**" has the meaning set forth in Section 5(l).

(o) "**Holder(s)**" has the meaning set forth in the Preamble.

(p) "**Holder Indemnitees**" has the meaning set forth in Section 7(a).

(q) "**Indemnified Party**" has the meaning set forth in Section 7(b).

(r) "**Indemnifying Party(ies)**" has the meaning set forth in Section 7(b).

(s) "**Initial Public Offering**" means the first underwritten public offering of Common Stock (or Other Securities) to the general public through a Registration Statement filed with the Commission.

(t) "**Inspectors**" has the meaning set forth in Section 5(p).

(u) "**JOBS Act**" means the Jumpstart Our Business Startups Act of 2012.

(v) "**Law**" means any federal, state, local or foreign statute, ordinance, law, rule, regulation, order, judgment, decree, agency requirement or legal requirement (including federal and state securities laws.

(w) "**Losses**" has the meaning set forth in Section 7(a).

(x) "**Other Securities**" means shares of Common Stock or shares of other Capital Stock of the Company which are contractually entitled to registration rights or Capital Stock which the Company is registering pursuant to a registration statement.

(y) "**Person**" shall mean an individual, a corporation, a partnership, a limited liability company, a joint venture, a trust, an estate, an unincorporated organization, a government and any agency or political subdivision thereof.

(z) "**Piggyback Registration**" has the meaning set forth in Section 3(a).

(aa) "**Prospectus**" means the prospectus included in any Registration Statement (including a prospectus that discloses information previously omitted from a prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities (and if applicable, Other Securities) covered by such Registration Statement, any free writing prospectus related thereto, and all other amendments and supplements to such prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such prospectus.

(bb) "**Records**" has the meaning set forth in Section 5(p).

(cc) "**Registrable Securities**" shall mean (i) the Shares (as defined in the Securities Purchase Agreements) of Common Stock issued pursuant to the Securities Purchase Agreements; (ii) any shares of Common Stock acquired by the Holders in addition to those referred to in clause (i) after the date of this Agreement and prior to the date of an Initial Public Offering and (iii) any Other Securities issued to the Holders in respect of such Shares of Common Stock referred to in clauses (i) and (ii) (or Other Securities into which or for which such shares of Common Stock are so changed, converted or exchanged) upon any reclassification, share combination, share subdivision, share dividend, share exchange, merger, consolidation or similar transaction or event, provided that such shares of Common Stock and Other Securities (if any) shall cease to be Registrable Securities after they have been sold or transferred

pursuant to an effective Registration Statement or pursuant to Rule 144 under the Securities Act or shall have ceased to be outstanding.

(dd) "**Registration Statement**" means any Registration Statement of the Company under the Securities Act which permits the public offering of any of the Registrable Securities (and, if applicable, Other Securities) pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all material incorporated by reference or deemed to be incorporated by reference in such Registration Statement.

(ee) "**Registration Expenses**" shall mean all expenses incurred in effecting the registrations provided for in this Agreement, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Company, underwriting expenses (other than fees, commissions or discounts), expenses of any Company audits incident to or required by any such registration and Company expenses of complying with the securities or blue sky laws of any jurisdictions, and fees and disbursements of all independent certified public accountants (including, without limitation, the expenses of any "cold comfort" letters required) and any other Persons, including special experts retained by the Company, and reasonable out-of-pocket expenses of the selling Holders, including without limitation, fees and disbursements of counsel for such Holders whose shares are included in a Registration Statement, which counsel shall be mutually selected by the Demanding Holders (in the case of a registration pursuant to Section 2) or by the Holders Beneficially Owning a majority of the Registrable Securities included on such Registration Statement.

(ff) "**Rule 144**" shall mean Rule 144 under the Securities Act or any successor rule thereto.

(gg) "**Securities Act**" shall mean the Securities Act of 1933, as amended, or any similar federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

(hh) "**Securities Purchase Agreement**" has the meaning the meaning set forth in the Recitals.

(ii) "**Shelf Registration Statement**" means a Registration Statement of the Company filed with the Commission for an offering to be made on a continuous or delayed basis pursuant to Rule 415 under the Securities Act covering Registrable Securities.

(jj) "**Shelf Take-Down Notice**" has the meaning set forth in Section 4(b).

(kk) "**Shelf Underwritten Offering**" has the meaning set forth in Section 4(b).

2. Demand Registrations.

(a) At any time (x) on or after December 31, 2015 one or more Holders Beneficially Owning Registrable Securities (A) representing at least fifteen percent (15%) of the then-outstanding shares of Registrable Securities or (B) that are reasonably expected to result in aggregate gross cash proceeds in excess of $50 million (without regard to any underwriting discount or commission), or (y) on or after the one hundred and eightieth (180^{th}) day following the occurrence of an Initial Public Offering, such Holders (the "**Demanding Holders**") shall have the right, by delivering written notice to the Company (a "**Demand Notice**"), to require the Company to, pursuant to the terms of this Agreement, register under and in accordance with the provisions of the Securities Act the number of Registrable Securities Beneficially Owned by such Holders and requested by such Demand Notice to be so registered (a "**Demand Registration**") provided; however, that it shall be a condition to making a Demand Registration under clause (y) above that the aggregate offering price of the Registrable Securities to be registered by the Demanding Holders is at least $25,000,000. A Demand Notice shall also specify the expected method or methods of disposition of the applicable Registrable Securities. Upon receipt of such Demand Notice, the Company will notify all other Holders (other than the Demanding Holders) in writing and such other Holders shall have the right to request the Company to include all or a portion of such other Holders' Registrable Securities in such Demand Registration by written notice delivered to the Company within fifteen (15) calendar days after such notice is given by the Company.

(b) Following receipt of a Demand Notice, subject to Section 2(c), Section 4 and, Section 6 and Section 16(h), the Company will use its reasonable best efforts to file, as promptly as reasonably practicable (but not later than ninety (90) calendar days after receipt by the Company of such Demand Notice in the case of a registration

made on Form S-1 or comparable successor form, as applicable, or sixty (60) calendar days in the case of any registration eligible to be made on Form S-3 or comparable successor form, as applicable), a Registration Statement relating to the offer and sale of the Registrable Securities requested to be included therein by the Holders thereof in accordance with the methods of distribution elected by such Demand Holders (to the extent not prohibited by applicable Law) and shall use its reasonable best efforts to cause such Registration Statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof (and in any event in accordance with Section 5), provided that if such Demand Notice relates to a Shelf Registration Statement, the provisions of Section 4 shall apply. The Holders shall have the right to request two (2) registrations per year pursuant to this Section 2. Demanding Holders holding at least a majority of the Registrable Securities held by the Demanding Holders shall have the right to notify the Company that they have determined that the Registration Statement and/or Shelf Registration Statement relating to a Demand Registration be abandoned or withdrawn, in which event the Company shall promptly abandon or withdraw such Registration Statement and/or Shelf Registration Statement. In the event any registration attempted under this Section 2 pursuant to which the Company would be responsible for the Registration Expenses of the Holders is not consummated, then the Company shall pay such expenses and shall remain responsible for such expenses of the Holders with respect to two (2) consummated registrations per year made under this Section 2; provided, however, that if a registration attempted under this Section 2 is not consummated solely as a result of the withdrawal of the Holders requesting such registration, unless such Holders reimburse the Registration Expenses incurred by the Company, such Registration Statement shall count against the two (2) Registration Statements that the Company is required to a consummate per year. In any Demand Registration involving an underwritten offering, the investment banker or investment bankers and manager or managers that will administer the offering will be selected by the Demanding Holders, subject to approval of the Company not to be unreasonably withheld.

(c) A Registration Statement filed pursuant to a Demand Notice may include Other Securities; provided, however, that the Company and any other such requesting holders agree in writing to enter into an underwriting agreement with usual and customary terms and to any lock-up or similar limitations applicable to the Holders. Notwithstanding any other provisions of this Section 2, if the representative of the underwriters advises the Holders and the Company in writing (a "**Cutback Notice**") that it is their good faith opinion that the total number or dollar amount of Registrable Securities proposed to be sold in such offering, together with any Other Securities proposed to be included by holders thereof which are entitled to include securities in such Registration Statement, exceeds the total number or dollar amount of such securities that can be sold without having an adverse effect on the price, timing or distribution of the Registrable Securities to be so included together with all such Other Securities, then there shall be included in such underwritten offering the number or dollar amount of Registrable Securities and such Other Securities that in the opinion of such managing underwriter(s) can be sold without so adversely affecting such offering, and such number of Registrable Securities and Other Securities shall be allocated for inclusion as follows: (i) first, to the Holder(s) requesting inclusion in such registration, pro rata among such Holder(s) on the basis of the number of shares of Registrable Securities for which each such Holder has requested registration, (ii) second, to the Company for any securities it proposes to sell for its own account, and (iii) third, to the other holders requesting inclusion in the registration, pro rata among the respective holders thereof on the basis of the number of shares for which each such requesting holder has requested registration. If a Person who has requested inclusion in such registration as provided above does not agree to the terms of any such underwriting, such Person shall be excluded therefrom by written notice from the Company, the underwriter or the Holder(s). The securities so excluded shall also be withdrawn from registration. A registration shall not be counted as "consummated" for purposes of the two (2) registrations per year requirement if, as a result of a Cutback Notice, fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

(d) Except as provided in Section 2(b) with respect to withdrawn Registration statements, all Registration Expenses of the Holders incurred in connection with two (2) registrations per year requested pursuant to this Section 2 shall be borne by the Company.

3. "Piggy-Back" Registrations.

(a) Except with respect to a Demand Registration, the procedures of which are addressed in Section 2, if, at any time, the Company intends to file a registration statement under the Securities Act covering a primary or secondary offering of any of its Common Stock or Other Securities, whether or not the sale for its own account which is not a registration solely to implement an employee benefit plan pursuant to a registration statement

on Form S-8, a registration statement on Form S-4 (or successor form) or a transaction to which Rule 145 or any other similar rule of the Commission is applicable, the Company will promptly (and in any event at least twenty (20) calendar days before the anticipated filing date) give written notice to the Holders of its intention to effect such a registration. Subject to Section 3(b) below and consultation with the underwriters, the Company will effect the registration under the Securities Act of all Registrable Securities that the Holder(s) request(s) be included in such registration (a "**Piggyback Registration**") by a written notice delivered to the Company within fifteen (15) calendar days after the notice given by the Company in the preceding sentence. The Holders agree that any securities they request to be included in a Company registration pursuant to this Section 3 shall be included by the Company on the same form of Registration Statement as has been selected by the Company for the securities the Company is registering for sale referred to above. The Holders shall be permitted to withdraw all or part of the Registrable Securities from the Piggyback Registration at any time at least two (2) Business Days prior to the effective date of the Registration Statement relating to such Piggyback Registration.

(b) If the registration involves an underwritten offering and the representative of the underwriters provides the Company and the other Holders seeking to include securities in such offering in writing a Cutback Notice, then the number of Registrable Securities and Other Securities sought to be included in such registration shall be allocated for inclusion as follows: (i) if such registration is being effected by the Company, (A) first, to the Company for any securities it proposes to sell for its own account, (B) second, to the Holder(s) requesting inclusion in such registration, pro rata among such Holder(s) on the basis of the number of shares of Registrable Securities for which each such Holder has requested registration, and (C) third, to the other holders requesting inclusion in the registration, pro rata among the respective holders thereof on the basis of the number of Other Securities for which each such requesting holder has requested registration; and (ii) if such registration is being effected by a Person other than the Company or the Holders, in accordance with Section 2(c) above.

(c) If the Company elects to terminate any registration filed under this Section 3 prior to the effectiveness of such registration, the Company will have no obligation to register the securities sought to be included by the Holders in such registration under this Section 3. All the Registration Expenses incurred in connection with any registration, qualification or compliance hereunder shall be borne by the Company. Without limiting the foregoing, the Company shall bear its internal expenses (including all salaries and expenses of their officers and employees performing legal, accounting or other duties) and expenses of any person, including special experts, retained by the Company. If the Company includes in such registration any securities to be offered by it, all Registration Expenses of the Holders will be borne by the Company. There shall be no limit to the number of Piggybank Registrations pursuant to this Section 3.

4. Shelf Take-Downs.

(a) The Company shall use reasonable best efforts to qualify for registration on a Shelf Registration Statement on Form S-3 as promptly as possible following the occurrence of the Initial Public Offering. Without limiting the foregoing, once the Company is eligible to effect a registration of its securities on a Shelf Registration Statement (including on Form S-1), any Holder will have the right to elect in the Demand Notice for any Demand Registration to be made on a Shelf Registration Statement, in which event the Company shall file with the Commission, as promptly as reasonably practicable, but not later than forty (45) calendar days after receipt by the Company of such Demand Notice (subject to Section 6), a Shelf Registration Statement relating to the offer and sale of the Registrable Securities requested to be included therein by the Holders thereof from time to time in accordance with the methods of distribution elected by such Holders (to the extent not prohibited by applicable Law) and shall use its reasonable best efforts to cause such Shelf Registration Statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof. Upon receipt of such Demand Notice, the Company will notify all other Holders (other than the Demanding Holders) in writing and such other Holders shall have the right to request the Company to include all or a portion of such other Holders' Registrable Securities in such Demand Registration by written notice delivered to the Company within fifteen (15) days after such notice is given by the Company.

(b) At any time that a Shelf Registration Statement covering Registrable Securities pursuant to Section 2 or Section 3 is effective, if a Holder delivers a notice to the Company (a "**Shelf Take-Down Notice**") stating that one or more of the Holders intends to effect an underwritten offering of all or part of the Registrable Securities included by the Holders on the Shelf Registration Statement (a "**Shelf Underwritten Offering**") and stating the number

of the Registrable Securities to be included in such Shelf Underwritten Offering, then the Company shall amend or supplement the Shelf Registration Statement as may be necessary in order to enable such Registrable Securities to be distributed pursuant to the Shelf Underwritten Offering (taking into account the inclusion of Other Securities by any other holders).

(c) The Company shall deliver the Shelf Take-Down Notice to all other Holders whose securities are included on such Shelf Registration Statement and permit each Holder to include its Registrable Securities included on the Shelf Registration Statement in the Shelf Underwritten Offering if such other Holder notifies the Company within five (5) Business Days after delivery of the Shelf Take-Down Notice to such other Holder.

(d) If a Shelf Underwritten Offering is being conducted and the representative of the underwriters provides the Company and the other holders seeking to include securities in such offering in writing a Cutback Notice, then the number of Registrable Securities and Other Securities sought to be included in such Shelf Underwritten Offering shall be allocated for inclusion in accordance with Section 2(c).

(e) All Registration Expenses incurred in connection with such registration requested pursuant to this Section 4 shall be borne by the Company.

5. Procedure for Registration. Whenever the Company is required under this Agreement to register Registrable Securities, it agrees to do the following:

(a) prepare and file with the Commission a Registration Statement or Registration Statements on such form which shall be available for the sale of the Registrable Securities by the Holders or the Company in accordance with the intended method or methods of distribution thereof and use its commercially reasonable efforts to keep such Registration Statement continuously effective for one hundred eighty (180) calendar days (and, with respect to Shelf Registration Statements, for up to two (2) years each, if requested by the Holders selling Registrable Securities to complete the proposed distribution; upon the occurrence of any event that would cause the Registration Statement or the Prospectus contained therein to contain a material misstatement or omission, the Company shall file promptly an appropriate amendment to such Registration Statement correcting any such misstatement or omission;

(b) cause the Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 under the Securities Act, and to comply fully with the applicable provisions of Rules 424 and 430A under the Securities Act in a timely manner; and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the sellers thereof set forth in such Registration Statement or supplement to the Prospectus;

(c) advise the underwriter(s), if any, and selling Holders promptly and, if requested by such Persons, to confirm such advice in writing, (i) when the Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to the Registration Statement or any post-effective amendment thereto, when the same has become effective, (ii) of any request by the Commission for amendments to the Registration Statement or amendments or supplements to the Prospectus or for additional information relating thereto, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement under the Securities Act or of the suspension by any state securities commission of the qualification of the Registrable Securities for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes, or (iv) of the existence of any fact or the happening of any event that makes any statement of a material fact made in the Registration Statement, the Prospectus, any amendment or supplement thereto, or any document incorporated by reference therein untrue, or that requires the making of any additions to or changes in the Registration Statement or the Prospectus in order to make the statements therein not misleading (provided that such notice shall not include specific information about any such fact or event if that information would constitute material non-public information about the Company). If at any time the Commission shall issue any stop order suspending the effectiveness of the Registration Statement or any state securities commission or other regulatory authority shall issue an order suspending the qualification or exemption from qualification of the Registrable Securities under state securities or blue sky laws, the Company shall use its reasonable best efforts to obtain the withdrawal or lifting of such order at the earliest possible time;

(d) before filing a Registration Statement or Prospectus or any amendments or supplements thereto (including documents that would be incorporated or deemed to be incorporated therein by reference), furnish to each of the selling Holders, their counsel and each of the underwriter(s), if any, at least five (5) Business Days before filing with the Commission, copies of the Registration Statement or any Prospectus included therein or any amendments or supplements to any such Registration Statement or Prospectus (including all documents incorporated by reference after the initial filing of such Registration Statement), which documents will be subject to the reasonable review and comment, and such other documents reasonably requested and the Company will consult with the selling Holders of Registrable Securities covered by such Registration Statement, their counsel and the underwriter(s), if any, prior to the filing of such Registration Statement or Prospectus and provide such Persons reasonable opportunity to participate in the preparation of such Registration Statement and each Prospectus included therein. The Company will not file any such Registration Statement or Prospectus or any amendments or supplements thereto (including such documents that, upon filing, would be incorporated or deemed to be incorporated by reference therein) with respect to a Demand Registration to which any Holder, its counsel, or the managing underwriter(s), if any, shall reasonably object, in writing, on a timely basis, unless, in the opinion of the Company, such filing is necessary to comply with applicable Law;

(e) if requested by any selling Holder or the underwriter(s), if any, incorporate in the Registration Statement or Prospectus, pursuant to a supplement or post-effective amendment if necessary, such information as such selling Holder and underwriter(s), if any, may reasonably request to have included therein, with respect to the number of Registrable Securities being sold by such Holder, the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering and make all required filings of such Prospectus supplement or post-effective amendment as soon as practicable after the Company is notified of the matters to be incorporated in such Prospectus supplement or post-effective amendment;

(f) (i) deliver promptly to the selling Holders copies of all correspondence between the Commission and the Company, its counsel or auditors including any comment and response letters with respect to the Registration Statement; provided that the Company shall not provide information to the selling Holders that the Company believes could constitute material non-public information, and (ii) if requested by selling Holders, keep such selling Holders informed with respect to the substance of any discussions with the Commission or its staff regarding the Registration Statement;

(g) furnish to each selling Holder and each of the underwriter(s), if any, without charge, at least one copy of the Registration Statement, as first filed with the Commission, and of each amendment thereto, including all documents incorporated by reference therein and all exhibits (including exhibits incorporated therein by reference);

(h) deliver to each selling Holder and each of the underwriter(s), if any, without charge, as many copies of the Prospectus (including each preliminary Prospectus) and any amendment or supplement thereto as such Persons reasonably may request; the Company hereby consents to the use of the Prospectus and any amendment or supplement thereto by each of the selling Holders and each of the underwriter(s), if any, in connection with the offering and the sale of the Registrable Securities covered by the Prospectus or any amendment or supplement thereto;

(i) prior to any public offering of Registrable Securities, the Company shall use its reasonable best efforts to register or qualify the Registrable Securities under the securities or blue sky laws of such jurisdictions as the selling Holders or underwriter(s), if any, may reasonably request and do any and all other acts or things reasonably necessary or advisable to enable the disposition in such jurisdictions of the Registrable Securities covered by the Registration Statement; provided, however, that the Company shall not be required to register or qualify as a foreign corporation where it is not now so qualified or to take any action that would subject it to the service of process in suits or to taxation, other than as to matters and transactions relating to the Registration Statement, in any jurisdiction where it is not now so subject;

(j) cooperate with the selling Holders and the underwriter(s), if any, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends; and enable such Registrable Securities to be in such denominations and registered in such names as the Holders or the underwriter(s), if any, may request prior to any sale of Registrable Securities made by such underwriter(s);

(k) if any fact or event contemplated by Section 5(c)(iv) above shall exist or have occurred, promptly prepare a supplement or post-effective amendment to the Registration Statement or related Prospectus or any

document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of Registrable Securities, the Prospectus will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading;

(l) cooperate and assist in any filings required to be made with the Financial Industry Regulatory Authority ("**FINRA**") and in the performance of any due diligence investigation by any underwriter (including any "qualified independent underwriter") that is required to be retained in accordance with the rules and regulations of the FINRA;

(m) otherwise use its reasonable efforts to comply with all applicable rules and regulations of the Commission, and make generally available to its security holders, as soon as practicable, a consolidated earnings statement meeting the requirements of the Securities Act and Rule 158 thereunder (which need not be audited) for the twelve-month period (i) commencing at the end of any fiscal quarter in which Registrable Securities are sold to underwriters in a firm or best efforts underwritten offering, or (ii) if not sold to underwriters in such an offering, beginning with the first month of the Company's first fiscal quarter commencing after the effective date of the Registration Statement;

(n) prior to the effective date of the Registration Statement relating to the Registrable Securities, provide a CUSIP number for the Registrable Securities;

(o) enter into such customary agreements (including an underwriting agreement in customary form) and take all such other actions reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith or by the managing underwriter(s), if any, in order to expedite or facilitate the disposition of such Registrable Securities, and in connection therewith, whether or not an underwriting agreement is entered into and whether or not the registration is an underwritten registration, (i) make such representations and warranties to the selling Holders and the managing underwriter(s), if any, with respect to the business of the Company and its subsidiaries, and the Registration Statement, Prospectus and documents, if any, incorporated or deemed to be incorporated by reference therein, in each case, in form, substance and scope as are customarily made by issuers in underwritten offerings, and, if true, confirm the same if and when requested, (ii) use its reasonable best efforts to furnish to the selling Holders of such Registrable Securities opinions of counsel to the Company and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the managing underwriter(s), if any, and counsels to the selling Holders of the Registrable Securities), addressed to each selling Holder of Registrable Securities and each of the managing underwriter(s), if any, covering the matters customarily covered in opinions requested in underwritten offerings as may be reasonably requested by such counsel and managing underwriter(s), (iii) use its reasonable best efforts to obtain "cold comfort" letters and updates thereof from the independent certified public accountants of the Company (and, if necessary, any other independent certified public accountants of any subsidiary of the Company or of any business acquired by the Company for which financial statements and financial data are, or are required to be, included in the Registration Statement) who have certified the financial statements included in such Registration Statement, addressed to each selling Holder of Registrable Securities (unless such accountants shall be prohibited from so addressing such letters by applicable standards of the accounting profession) and each of the managing underwriter(s), if any, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with underwritten offerings, (iv) if an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures substantially to the effect set forth in Section 7 hereof with respect to all parties to be indemnified pursuant to said Section 7 except as otherwise agreed by the Holders of a majority of the Registrable Securities being sold in connection therewith and the managing underwriter(s) and (v) deliver such documents and certificates as may be reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith, their counsel and the managing underwriter(s), if any, to evidence the continued validity of the representations and warranties made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company. The above shall be done at each closing under such underwriting or similar agreement, or as and to the extent required thereunder;

(p) make available for inspection by any Holder of Registrable Securities included in such Registration Statement, any underwriter participating in any disposition pursuant to such Registration Statement, and any attorney, accountant or other agent retained by any such seller or underwriter (collectively, the "**Inspectors**"), all

financial and other records, pertinent corporate documents and properties of the Company and its Subsidiaries (collectively, the "**Records**"), as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors and employees to supply all information reasonably requested by any such Inspector in connection with such Registration Statement; provided, however, that records that the Company determines, in good faith, to be confidential and which it notifies the Inspectors are confidential shall not be disclosed by the Inspectors unless (i) the disclosure of such Records is necessary to avoid or correct a misstatement or omission in the Registration Statement, or (ii) the release of such Records is ordered pursuant to a subpoena or other order from a court of competent jurisdiction; provided, further, that each Holder of Registrable Securities agrees that it will, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, give notice to the Company to the extent legally permitted and allow the Company, at its expense, to undertake appropriate action and to prevent disclosure of the Records deemed confidential;

(q) provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by such Registration Statement not later than the effective date of such Registration Statement;

(r) use its reasonable best efforts to cause all Registrable Securities covered by such Registration Statement to be listed on a national securities exchange or interdealer quotation system (or, if similar Company securities are already authorized to be listed on more than one national securities exchange or interdealer quotation system, on each such exchange or system on which similar securities issued by the Company are then listed); and

(s) in the case of an underwritten offering, cause its officers to use their reasonable best efforts to support the marketing of the Registrable Securities covered by the Registration Statement (including, without limitation, by participation in "road shows") taking into account the Company's business needs.

6. Lock-Up Agreement; Suspension of Sales.

(a) Subject to Section 6(b), the Company may postpone the filing or effectiveness of any Registration Statement required under Sections 2 or 4 for a reasonable period of time, not to exceed sixty (60) calendar days, if (i) the Company has been advised by legal counsel that such filing would require the disclosure of a material non-public fact, and (ii) the Company determines reasonably and in good faith that such disclosure would be materially harmful to the Company or would have a material adverse effect on a bona fide business or financing transaction of the Company.

(b) If (i) pursuant to the good faith judgment of the Company's Board of Directors, the Company concludes, as a result of its determinations under Section 6(a), that it is essential to defer the filing or effectiveness of such Registration Statement at such time, and (ii) the Company shall furnish to the Holders a certificate signed by the President of the Company (a "**Demand Suspension**"), certifying as to the Board of Directors' determinations under Section 6(a) and that it is, therefore, essential to defer the filing or effectiveness of such Registration Statement or amendment (which certificate shall approximate the anticipated delay), then the Company shall have the right to defer such filing or effectiveness for a period of not more than ninety (90) calendar days after receipt of the request of the Holders; provided, however, that the Company shall not defer its obligation in this manner more than once in any twelve (12)-month period. In the case of any Demand Suspension relating to the suspension of an effective Shelf Registration Statement, (i) the Company shall, within the ninety (90)-day period specified above, prepare a supplement or post-effective amendment to the Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, or file any other required document so that the selling Holders may resume use thereof in accordance with applicable Law and (ii) the selling Holders agree to suspend the use of the applicable Prospectus in connection with any sale or purchase, or offer to sell or purchase, Registrable Securities, upon receipt of any such certificate imposing a Demand Suspension until the earlier of the termination of the ninety (90)-day period specified above and the date on which the Company complies with clause (i) of this sentence.

(c) The Company agrees (i) not to effect or initiate a registration statement for any public sale or distribution of any securities similar to those being registered, or any securities convertible into or exchangeable or exercisable for such securities, during the fourteen (14) calendar days prior to, and during the ninety (90) calendar-day period beginning on, the effective date of any Registration Statement in which the Holders of Registrable Securities are participating (except as part of such registration), and (ii) that any agreement entered into on or after the date of this Agreement pursuant to which the Company issues or agrees to issue any privately placed securities shall contain

a provision under which Holders of such securities agree not to effect any public sale or distribution of any such securities during the periods described in clause (i) above, in each case including a sale pursuant to Rule 144 under the Act (except as part of any such registration, if permitted).

(d) Each Holder of Registrable Securities agrees that, upon receipt of notice from the Company of the occurrence of any event of the kind described in Section 5(c)(ii-iv), such Holder will forthwith discontinue disposition of such Registrable Securities following the effective date of a Registration Statement covering such Registrable Securities until such Holder's receipt of copies of the Prospectus supplement and/or post-effective amendment contemplated by Section 5(k), or until it is advised in writing by the Company that the use of the applicable Prospectus may be resumed and, in either case, has received copies of any additional or supplemental filings that are incorporate or deemed to be incorporated by reference in such Prospectus or Registration Statement.

7. Indemnification.

(a) The Company agrees to indemnify and hold harmless each Holder and its partners (limited and general), members, shareholders, directors, officers, employees and agents and each Person, if any, who controls any Holder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and the partners (limited and general), members, shareholders, directors, officers, employees and agents of each such controlling Person and each underwriter, if any, and each Person, if any, who controls such underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively, "**Holder Indemnitees**"), from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, costs of preparation and reasonable attorneys' fees and any legal or other fees or expenses incurred by such party in connection with any investigation, action, suit or proceeding) and expenses, judgments, fines, penalties, charges and amounts paid in settlement (collectively, "**Losses**"), as incurred, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or in any preliminary or final Prospectus contained therein, any document incorporated by reference therein or free writing Prospectus related thereto) or any other offering circular, amendment of or supplement to any of the foregoing or other document incident to any such registration, qualification, or compliance, or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or of the Exchange Act in connection with any such registration, qualification, or compliance, except insofar as such Losses arise out of or are based upon any untrue statement or omission or alleged untrue statement or omission which has been made therein or omitted therefrom in reliance upon and in conformity with the information relating to such Holder furnished in writing to the Company by such Holder expressly for use in connection therewith. The foregoing indemnity agreement shall be in addition to any liability which the Company may otherwise have.

(b) Each Holder, severally and not jointly, agrees to indemnify and hold harmless the Company, and its directors and officers, and any Person who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all Losses, as incurred, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or in any preliminary or final Prospectus contained therein, any document incorporated by reference therein or free writing Prospectus related thereto) or any other offering circular, amendment of or supplement to any of the foregoing or other document incident to any such registration, qualification, or compliance, or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or of the Exchange Act in connection with any such registration, qualification, or compliance, but only (i) in connection with a registration in which such Holder is participating by registering Registrable Securities and (ii) with respect to any untrue statement or omission or alleged untrue statement or omission which has been made therein or omitted therefrom in reliance upon and in conformity with the information relating to such Holder furnished in writing to the Company by such Holder expressly for use in connection therewith. In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) If any Person shall be entitled to indemnity hereunder (an "**Indemnified Party**"), such Indemnified Party shall promptly notify the party or parties from which such indemnity is sought (collectively the "**Indemnifying Parties**" and each an "**Indemnifying Party**") of any claim or of the commencement of any action, suit

or proceeding with respect to which such Indemnified Party seeks indemnification or contribution pursuant hereto and such Indemnifying Parties shall have the right, upon written notice to the Indemnified Party and upon agreeing in writing, subject to the limitations and other provisions set forth in this Agreement, that it shall indemnify the Indemnified Party with respect to such action, suit or proceeding, to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and payment of all fees and expenses; provided, however, that failure or delay to so notify an Indemnifying Party shall not relieve such Indemnifying Party from any liability unless and to the extent it is materially and adversely prejudiced as a result of such failure or delay (as finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review)). The Indemnified Party shall have the right to employ separate counsel in any such action, suit or proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party unless (i) the Indemnifying Parties have agreed in writing to pay such fees and expenses, (ii) the Indemnifying Parties have failed to assume promptly the defense and employ counsel, or (iii) the named parties to any such action, suit or proceeding (including any impleaded parties) include both the Indemnified Party and the Indemnifying Parties and the Indemnified Party shall have been advised in writing by its counsel that representation of such Indemnified Party and any Indemnifying Party by the same counsel would be inappropriate under applicable standards of professional conduct (whether or not such representation by the same counsel has been proposed) due to actual or potential differing interests between them (in which case the Indemnifying Party shall not have the right to assume the defense of such action, suit or proceeding on behalf of the Indemnified Party). It is understood, however, that the Indemnifying Parties shall, in connection with any one such action, suit or proceeding or separate but substantially similar or related actions, suits or proceedings in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate firm of attorneys (in addition to any local counsel) at any time for the Indemnified Parties not having actual or potential differing interests with the Indemnified Parties or among themselves, which firm shall be designated in writing by the Indemnified Parties, and that all such fees and expenses shall be reimbursed as they are incurred. The Indemnifying Parties shall not be liable for any settlement of any such action, suit or proceeding effected without their written consent (not to be unreasonably withheld or delayed), but if settled with such written consent, or if there be a final judgment for the plaintiff in any such action, suit or proceeding, the Indemnifying Parties agree to indemnify and hold harmless the Indemnified Party, to the extent provided herein, from and against any Losses by reason of such settlement or judgment; *provided* that in the event the Indemnifying Party has not (i) assumed the defense in such action, suit or proceeding, and (ii) agreed in writing that it shall indemnify the Indemnified Party with respect to such action, suit or proceeding, nothing set forth herein shall prohibit the Indemnified Party from effecting a settlement of such action, suit or proceeding and initiating a claim for indemnification hereunder against the Indemnifying Party following such settlement.

(d) If the indemnification provided for in this Section 7 is unavailable (except if inapplicable according to its terms) to an Indemnified Party under Section 7(a) or Section 7(b) hereof in respect of any Losses referred to therein, then an Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, in connection with the statements or omissions that resulted in such Losses, as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) The Company and the Holders agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by a *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 7(d) above. The amount paid or payable by an Indemnified Party as a result of the Losses referred to in Section 7(d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating any claim or defending any such action, suit or proceeding. Notwithstanding the provisions of this Section 7, no Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the net proceeds received by it in connection with the sale of the Registrable Securities subject to the action, suit or proceeding exceeds the amount of any damages which such Holder has otherwise been required to pay by reason of

such untrue or alleged untrue statement or omission or alleged omission. No person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(f) The indemnity and contribution agreements contained in this Section 7 and the representations and warranties of the Company set forth in this Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any of the Holders or any Person controlling the Holders, the Company, its directors or officers or any Person controlling the Company. A successor to any Holder Indemnitee, or to the Company, its directors or officers or any Person controlling the Company shall be entitled to the benefits of the indemnity, contribution and reimbursement agreements contained in this Section 7.

(g) No Indemnifying Party shall, without the prior written consent of the Indemnified Party, consent to entry of any judgment or effect any settlement of any pending or threatened action, suit or proceeding in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement (i) includes an unconditional release, in form and substance reasonably satisfactory to the Indemnified Party, of such Indemnified Party from all liability on claims that are the subject matter of such action, suit or proceeding, (ii) ascribes no fault on the part of such Indemnified Party and (iii) provides for solely monetary relief.

(h) Notwithstanding anything in this Agreement to the contrary, all parties to this Agreement hereby agree to abide by all applicable state and federal laws regarding indemnification payments to banking institutions, including, but not limited to, 12 C.F.R. Part 359.

8. Rule 144 Requirements. If the Company becomes subject to the reporting requirements of the Exchange Act, the Company will timely file with the Commission such reports and information required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Commission thereunder and as the Commission may require. The Company shall furnish to any Holder of Registrable Securities forthwith upon request a written statement as to its compliance with the reporting requirements of Rule 144 (or any successor exemptive rule), the Securities Act and the Exchange Act (at any time that it is subject to such reporting requirements); a copy of its most recent annual or quarterly report; and such other reports and documents as such Person may reasonably request in availing itself of any rule or regulation of the Commission allowing it to sell any such securities without registration.

9. Obligations of Holders and Others in a Registration. Each Holder agrees to timely furnish such information regarding such Person and the securities sought to be registered and to take such other action as the Company may reasonably request in connection with the registration, qualification or compliance. The Company may exclude from any Registration Statement any Holder that timely fails to comply with the provisions of the preceding sentence. If the registration involves an underwriter, each Holder agrees to enter into an underwriting agreement with such underwriters containing usual and customary terms and provisions. The Holders agree not to affect the sale of securities under any Registration Statement until they have received a Prospectus (including by accessing a Prospectus filed with the Commission), as needed, and notice of the effectiveness of the Registration Statement of which the Prospectus forms a part.

10. Rule 144A. The Company agrees that, upon the request of any Holder of Registrable Securities or any prospective purchaser of Registrable Securities designated by a Holder, the Company shall promptly provide (but in any case within fifteen (15) calendar days of a request) to such Holder or potential purchaser, the following information:

(a) a brief statement of the nature of the business of the Company and any subsidiaries and the products and services they offer;

(b) the most recent consolidated balance sheets and profit and losses and retained earnings statements, and similar financial statements of the Company for the two (2) most recent fiscal years (such financial information shall be audited, to the extent reasonably available); and

(c) such other information about the Company, any subsidiaries, and their business, financial condition and results of operations as the requesting Holder or purchaser of such Registrable Securities shall request in order to comply with Rule 144A, as amended, and in connection therewith the anti-fraud provisions of the federal and state securities laws.

The Company hereby represents and warrants to any such requesting Holder and any prospective purchaser of Registrable Securities from such Holder that the information provided by the Company pursuant to this Section 10 will, as of their dates, not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

11. Limitations on Subsequent Registration Rights. The Company will not, without the prior written consent of the Holder or Holders of at least a two-thirds of the then outstanding Registrable Securities, enter into any agreements with any holder or prospective holder of any securities of the Company which would grant such holder or prospective holder registration rights with respect to the securities of the Company which would have priority over the Registrable Securities with respect to the inclusion of such securities in any registration. If the Company enters into an agreement that contains terms more favorable, in form or substance, to any shareholders than the terms provided to the Holders under this Agreement, then the Company will modify or revise the terms of this Agreement in order to reflect any such more favorable terms for the benefit of the Holders Shareholders.

12. Consent to be Bound. Each subsequent Holder of Registrable Securities must consent in writing to be bound by the terms and conditions of this Agreement in order to acquire the rights granted pursuant to this Agreement.

13. Assignability of Registration Rights. Subject to Section 12 hereof, the registration rights set forth in this Agreement are assignable to each assignee as to each share of Registrable Securities conveyed in accordance herewith who agrees in writing to be bound by the terms and conditions of this Agreement.

14. Amendment, Termination and Waiver. Except as otherwise provided herein, no amendment, modification, termination or cancellation of this Agreement shall be effective unless made in a writing signed by the Company and the Holders of at least two-thirds of the then outstanding Registrable Securities.

15. Specific Performance. The Company and the Holders agree that the rights created by this Agreement are unique, and that the loss of any such right is not susceptible to monetary quantification. Consequently, the parties agree that an action for specific performance (including for temporary and/or permanent injunctive relief) of the obligations created by this Agreement is a proper remedy for the breach of the provisions of this Agreement, without the necessity of proving actual damages. If the parties hereto are forced to institute legal proceedings to enforce their rights in accordance with the provisions of this Agreement, the prevailing party shall be entitled to recover its reasonable expenses, including attorneys' fees, in connection with any such action.

16. Miscellaneous.

(a) Unless otherwise specified herein, all notices, requests, instructions and other communications required or permitted to be given under this Agreement after the date of this Agreement by any party hereto to any other party may be delivered personally or by nationally recognized overnight courier service or sent by mail or by facsimile transmission, at the respective addresses or transmission numbers set forth below and is deemed delivered (a) in the case of personal delivery or facsimile transmission or electronic mail, when received; (b) in the case of mail, upon the earlier of actual receipt or five (5) Business Days after deposit in the United States Postal Service, first class certified or registered mail, postage prepaid, return receipt requested; and (c) in the case of an overnight courier service, one (1) Business Day after delivery to such courier service with instructions for overnight delivery. The parties may change their respective addresses and transmission numbers by written notice to all other parties, sent as provided in this Section. All communications must be in writing and addressed as follows:

If to the Company, to:

Community Trust Financial Corporation
1511 N. Trenton Street
Ruston, Louisiana 71270

Attention: Drake D. Mills
Telephone:
Facsimile:

With a copy (which will not constitute notice), to:

Jones, Walker, Waechter, Poitevent, Carrère & Denègre L.L.P.
190 E. Capitol St.
Jackson, Mississippi
Attention: J. Andrew Gipson
Telephone: (601) 949-4789
Fax: (601) 949-4804

If to any Holder, to:

the address, facsimile number or electronic mail address set forth next to such Holder's name on the signature page hereto (which address, facsimile number or electronic mail address may be changed by the Holder by notice provided to the Company); provided that any notices or communications to any Holder shall be sent only to the Person or department, as applicable, at the Holder set forth on such Holder's signature page, and the Company shall not send notices or communications to any other Person on behalf of any Holder without the prior written consent of such Person or a member of such department, as applicable.

(b) THIS AGREEMENT IS TO BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF LOUISIANA, WITHOUT REGARD FOR THE PROVISIONS THEREOF REGARDING CHOICE OF LAW. The parties hereto irrevocably consent to the jurisdiction of the courts of the State of Louisiana and of any federal court located in such state in connection with any action or proceeding arising out of or relating to this Agreement. VENUE FOR ANY CAUSE OF ACTION ARISING FROM THIS AGREEMENT WILL LIE IN RUSTON, LOUISIANA.

(c) This Agreement and the Securities Purchase Agreement constitute the full and entire understanding and agreement between the parties regarding the matters set forth herein and therein. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon the successors, assigns, heirs, executors and administrators of the parties hereto. This Agreement is not assignable or transferable by the Company without the prior written consent of Holders of at least a two-thirds of the then outstanding Registrable Securities, and Company transfers without the applicable consent are void *ab initio*. In the event of any inconsistency between this Agreement and the Securities Purchase Agreement and any other agreement entered into by the Company and any Holder, this Agreement shall control.

(d) No failure or delay of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. No waiver of any party to this Agreement will be effective unless it is in a writing signed by a duly-authorized officer of the waiving party that makes express reference to the provision or provisions subject to such waiver.

(e) This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(f) Subject to Section 7 and Section 13 hereof, none of the provisions of this Agreement shall be for the benefit of, or enforceable by, any third party beneficiary.

(g) The headings in this Agreement are inserted only as a matter of convenience, and in no way define, limit, or extend or interpret the scope of this Agreement or of any particular section of this Agreement.

(h) If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall attach only to such provision and shall not in any manner affect or render

illegal, invalid or unenforceable any other provision of this Agreement, and this Agreement shall be carried out as if any such illegal, invalid or unenforceable provision were not contained herein.

(i) Nothing in this Agreement shall limit or prevent the Company from utilizing or electing to take advantage of any of the rights and privileges available to an "emerging growth company," as such term is defined in the JOBS Act, including, but not limited to, the confidential filing of a Registration Statement on Form S-1. In addition, for purposes of this Agreement, if the Company receives a Demand Notice, the confidential filing of a Registration Statement on Form S-1 with the SEC as permitted under the JOBS Act shall satisfy the requirements of Section 2(b) of this Agreement if such Registration Statement is filed with the SEC on a confidential basis in accordance with the requirements of that section.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
[SIGNATURE PAGE FOR COMPANY FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Registration Rights Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

COMMUNITY TRUST FINANCIAL CORPORATION

By: _____

Drake D. Mills
Chairman, President and CEO

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
[SIGNATURE PAGE FOR HOLDERS FOLLOW]

PINE BROOK SHAREHOLDERS:

PINE BROOK CAPITAL PARTNERS, L.P.

By: Pine Brook Road Associates, L.P., its General Partner

By: PBRA, LLC, its General Partner

By: _____
Name: Oliver Goldstein
Title: Executive Vice President

PINE BROOK CAPITAL PARTNERS
(SSP OFFSHORE) II, L.P.

By: Pine Brook Road Associates, L.P., its General Partner

By: PBRA, LLC, its General Partner

By: _____
Name: Oliver Goldstein
Title: Executive Vice President

PINE BROOK CAPITAL PARTNERS
(CAYMAN), L.P.

By: Pine Brook Road Associates, L.P., its General Partner

By: PBRA, LLC, its General Partner

By: _____
Name: Oliver Goldstein
Title: Executive Vice President

Address:
Pine Brook Road Partners, LLC
One Grand Central Place
60 East 42nd Street, 50th Floor
New York, New York 10165
Attention: Oliver Goldstein
Telephone: (212) 847-4330
Fax: (212) 847-4331
E-mail Address:ogoldstein@pinebrookpartners.com

[OTHER PURCHASER]
SHAREHOLDERS:

By: _____
Name:
Title:

Address:
[Name]
[Address 1]
[Address 2]
[City, State] [Zip Code]
Attention: []
Telephone: (xxx) xxx-xxxx
Fax: (xxx) xxx-xxxx
E-mail Address: []

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

[OTHER PURCHASER]
SHAREHOLDERS:

By: _____
Name:
Title:

Address:
[Name]
[Address 1]
[Address 2]
[City, State] [Zip Code]
Attention: []
Telephone: (xxx) xxx-xxxx
Fax: (xxx) xxx-xxxx
E-mail Address: []

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

EXHIBIT F

Form of Certificate of Designations

CERTIFICATE OF DESIGNATION, PREFERENCES AND RIGHTS

OF

SERIES D NONVOTING CONVERTIBLE PREFERRED STOCK

OF

COMMUNITY TRUST FINANCIAL CORPORATION

Community Trust Financial Corporation, a corporation organized and existing under the laws of the State of Louisiana (the "Corporation") DOES HEREBY CERTIFY:

That pursuant to the authority conferred upon the Board of Directors by the Articles of Incorporation of the Corporation, the Board of Directors on [__], 2012 adopted the following resolution creating a series of [_____] shares of preferred stock designated as "Series D Nonvoting Convertible Preferred Stock" of no par value per share:

RESOLVED, that pursuant to the authority conferred upon the Board of Directors in accordance with the provisions of the Articles of Incorporation, a series of preferred stock, of no par value per share, of the Corporation be and hereby is created, and that the designation and number of shares thereof and the voting and other powers, preferences and relative, participating, optional or other rights of the shares of such series and the qualifications, limitations and restrictions thereof are as follows:

1. Definitions. As used herein, the following terms have the following meanings:

(a) "Affiliate" has the meaning set forth in 12 C.F.R. §225.2(a) or any successor provision.

(b) "Articles of Incorporation" means the Articles of Incorporation of the Corporation, as amended and in effect from time to time.

(c) "Board of Directors" means the board of directors of the Corporation.

(d) "business day" means any day other than a Saturday or a Sunday or a day on which banks in the State of Louisiana are authorized or required by law, executive order or regulation to close.

(e) "By-Laws" means the By-Laws of the Corporation, as amended and in effect from time to time.

(f) "Certificate" means a certificate representing one or more shares of Series

D Preferred Stock.

(g) "Certificate of Designation" means this Certificate of Designation, Preferences and Rights of Series D Preferred Stock.

(h) "Common Stock" means the common stock of the Corporation, par value of five U.S. dollars ($5.00) per share.

(i) "Corporation" means Community Trust Financial Corporation a corporation organized and existing under the laws of the State of Louisiana, and any successor Person.

(j) "Dividends" has the meaning set forth in Section 3.

(k) "Mandatory Conversion" has the meaning set forth in Section 5(b)(ii).

(1) "Mandatory Conversion Date" has the meaning set forth in Section 5(b)(ii).

(m) "Notice of Conversion" has the meaning set forth in Section 5(b)(iii).

(n) "Permissible Transfer" means a transfer by the holder of Series D Preferred Stock (i) to an Affiliate of such holder or to the Corporation, (ii) in a widespread public distribution of Common Stock or Series D Preferred Stock, (iii) in which no transferee (or group of associated transferees) would receive 2% or more of any class of Voting Securities of the Corporation (including pursuant to a related series of such transfers), or (iv) to a transferee that would control more than a majority of the Voting Securities of the Corporation (not including Voting Securities such Person is acquiring from the transferor).

(o) "Person" means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, or any other form of entity not specifically listed herein.

(p) "Reorganization Event" means (i) any consolidation, merger or other similar business combination of the Corporation with or into another Person, in each case pursuant to which the Common Stock will be converted into cash, securities or other property of the Corporation or another Person; (ii) any sale, transfer, lease or conveyance to another Person of all or substantially all of the property or assets of the Corporation, in each case pursuant to which the Common Stock will be converted into cash, securities or other property of the Corporation or ·another Person; or (iii) any change, including by capital reorganization, reclassification or otherwise (other than a transaction resulting in an adjustment pursuant to Section 3(b) below), of the Common Stock into securities including securities other than Common Stock.

(q) "Series D Liquidation Preference" has the meaning set forth in Section 4(b).

(r) "Series D Preferred Stock" has the meaning set forth in Section 2.

(s) "Voluntary Conversion" has the meaning set forth in Section 5(b)(i).

(t) "Voluntary Conversion Date" has the meaning set forth in Section 5(b)(i).

(u) "Voting Security" has the meaning set forth in 12 C.F.R. §225.2(q) or any successor provision.

2. Designation and Amount. There shall be a series of preferred stock of the Corporation, of no par value per share, which shall be designated "Series D Nonvoting Convertible Preferred Stock" (the "Series D Preferred Stock"), and the number of shares constituting that series shall be [_____]. Such number of shares may be increased or decreased by resolution of the Board of Directors and by the filing of a certificate in accordance with the provisions of the laws of the State of Louisiana stating that such increase or reduction as been so authorized; *provided*, *however*, that no decrease shall reduce the number of shares of Series D Preferred Stock to a number that is less than the number of shares of Series D Preferred Stock then outstanding plus the number of shares of Series D Preferred Stock issuable upon exercise of then outstanding rights, options or warrants or upon conversion of outstanding securities issued by the Corporation. Shares of Series D Preferred Stock that are redeemed, purchased or otherwise acquired by the Corporation shall be cancelled and shall revert to authorized and unissued shares of preferred stock, undesignated as to series and available for future issuance.

3. Dividends and Distributions; Adjustments for Combinations and Divisions of Common Stock.

(a) Holders of Series D Preferred Stock will be entitled to receive, when, as and if declared by the Board of Directors or a duly authorized committee of the Board of Directors, out of funds legally available therefor, non-cumulative Dividends (as defined below) in the amounts determined as set forth in this Section 3, and no more. The Series D Preferred Stock will rank subordinate and junior to all other shares of preferred stock other than those which, by their respective terms, rank pari passu with or junior to the Series D Preferred Stock and shall rank pari passu with the Common Stock with respect to the payment of dividends or distributions, whether payable in cash, securities, options or other property, and with respect to the issuance of any rights to purchase stock, warrants, securities or other property (collectively, the "Dividends"). The holders of record of Series D Preferred Stock will be entitled to receive as, when, and if declared by the Board of Directors, Dividends in the same per share

amount as the Dividends paid on a share of Common Stock, and no Dividends will be payable on the Common Stock or any other

class or series of capital stock ranking with respect to Dividends pari passu with the Common Stock unless an identical Dividend is payable at the same time on the Series D Preferred Stock; *provided*, *however*, that if a stock Dividend is declared on Common Stock, the holders of Series D Preferred Stock will be entitled to a stock Dividend payable solely in shares of Series D Preferred Stock. Dividends that are payable on Series D Preferred Stock will be payable to the holders of record of Series D Preferred Stock as they appear on the stock register of the Corporation on the applicable record date, as determined by the Board of Directors, which record date will be the same as the record date for the equivalent Dividend of the Common Stock. In the event that the Board of Directors does not declare or pay any Dividends with respect to shares of Common Stock, then the holders of Series D Preferred Stock will have no right to receive any Dividends.

(b) Subject to Section 6 below, in the event that the Corporation at any time or from time to time will effect a division of the Common Stock into a greater number of shares (by stock split, reclassification or otherwise than by payment of a Dividend in Common Stock or in any right to acquire the Common Stock), or in the event the outstanding Common Stock will be combined or consolidated, by reclassification, reverse stock split or otherwise, into a lesser number of shares of the Common Stock, then the Series D Preferred Stock will, concurrently with the. effectiveness of such event, be proportionately split, reclassified, combined, consolidated, reverse-split or otherwise, as appropriate, such that the number of shares of Common Stock and Series D Preferred Stock outstanding immediately following such event shall bear the same relationship to each other as did the number of shares of Common Stock and Series D Preferred Stock outstanding immediately prior to such event.

4. Liquidation, Dissolution or Winding Up.

(a) Rank. The Series D Preferred Stock will, with respect to rights upon liquidation, winding up and dissolution, rank subordinate and junior in right of payment to all other shares of preferred stock other than those which, by their respective terms, rank pari passu with or junior to the Series D Preferred Stock and shall rank senior to the Common Stock in respect of the Series D Liquidation Preference as set forth below.

(b) Liquidation Preference. Upon any voluntary liquidation, dissolution or winding up of the Corporation, subject to the rights of any holders of securities to which the rights of the holders of the Series D Preferred Stock are subordinate or on parity, the holders of Series D Preferred Stock shall be entitled to receive, and no distribution shall be made to the holders of shares of Common Stock or any other shares of capital stock of the Corporation ranking junior upon liquidation, dissolution or winding up to the Series D Preferred Stock, unless, prior thereto, the holders of Series D Preferred Stock shall have received an amount (the "Series D Liquidation Preference") equal to the greater of (i) one cent ($0.01) per share and (ii) the amount the holder of such share of Series D Preferred Stock would receive in respect of such share if such share had been converted into Common Stock at the time of such liquidation, dissolution or winding up (assuming the conversion of all shares of Series D Preferred Stock at such time, without regard to any limitations on conversion of the Series D Preferred Stock).

(c) Merger, Consolidation and Sale of Assets Not Liquidation. For purposes of this Section 4, the merger or consolidation of the Corporation with or into any other corporation or other entity, including a merger or consolidation in which the holders of Series D Preferred Stock receive cash, securities or other property for their shares, or the sale, lease or exchange (for cash, securities or property) of all or substantially all of the assets of the Corporation, will not constitute a liquidation, dissolution or winding up of the Corporation.

5. Transfer; Conversion.

(a) Transfer. Neither the initial holder of any share of Series D Preferred Stock nor any of its Affiliates shall be permitted to sell, transfer or otherwise dispose of such Series D Preferred Stock other than in a Permissible Transfer.

(b) Conversion.

(i) A holder of Series D Preferred Stock shall be permitted to convert, or upon the written request of the Corporation shall convert, shares of Series D Preferred Stock into shares of Common Stock (a "Voluntary Conversion"); *provided* that upon such conversion the holder, together with all Affiliates of the holder, will not own or control in the aggregate more than 9.99% of the Common Stock (or of any class of Voting Securities

issued by the Corporation), excluding for the purpose of this calculation any reduction in ownership resulting from transfers by such holder and its Affiliates of Voting Securities of the Corporation (which, for the avoidance of doubt, does not include Series D Preferred Stock). In any such conversion, each share of Series D Preferred Stock will convert into one share of Common Stock. To effect the Voluntary Conversion, the holder shall surrender (the date of such surrender, the "Voluntary Conversion Date") the certificate or certificates evidencing such shares of Series D Preferred Stock, duly endorsed, at the registered office of the Corporation, and provide written instructions to the Corporation as to the number of whole shares for which such conversion shall be effected, together with any appropriate documentation that may be reasonably required by the Corporation. Upon the surrender of such certificate(s), the Corporation will issue and deliver to such holder a certificate or certificates for the number of shares of Common Stock into which the Series D Preferred Stock has been converted and, in the event that such conversion is with respect to some, but not all, of the holder's shares of Series D Preferred Stock, a certificate or certificate(s) representing the number of shares of Series D Preferred Stock that were not converted to Common Stock.

(ii) On the date (the "Mandatory Conversion Date") a holder of Series D Preferred Stock transfers any shares of Series D Preferred Stock to a non-Affiliate of the holder in a Permissible Transfer, each such transferred share of Series D Preferred Stock will automatically convert, immediately following such transfer and without any further action on the part of any holder, into one share of Common Stock (a "Mandatory Conversion").

(iii) As promptly as practicable following any Mandatory Conversion, the holder of the converted shares shall provide the Corporation a written notice of such conversion (a "Notice of Conversion"). In addition to any information required by applicable law or regulation, the Notice of Conversion shall state (x) the number of shares of Common Stock to be issued in respect of such conversion, (y) the name in which shares of Common Stock to be issued upon such conversion should be registered, and (z) the manner in which certificates of Series D Preferred Stock held. by such holder are to be surrendered for issuance of certificates representing shares of Common Stock. No later than three (3) business days following delivery of the Notice of Conversion, with respect to any shares of Series D Preferred Stock as to which a Mandatory Conversion shall have occurred, the Corporation shall issue and deliver certificates representing shares of Common Stock to the holder thereof or such holder's designee upon presentation and surrender of the certificate evidencing such Series D Preferred Stock to the Corporation and, if required, furnishing appropriate endorsements and transfer documents and the payment of all transfer and similar taxes, and, in the event that such conversion is with respect to some, but not all, of the shares of Series D Preferred Stock represented by the certificate surrendered, the Corporation shall issue and deliver a certificate or certificate(s) representing the number of shares · of Series D Preferred Stock that were not converted to Common Stock.

(iv) Shares of Series D Preferred Stock converted in accordance with this Section 5 will resume the status of authorized and unissued preferred stock, undesignated as to series and available for future issuance.

(v) Prior to the close of business on the Voluntary Conversion Date or Mandatory Conversion Date with respect to any share of Series D Preferred Stock, shares of Common Stock issuable upon conversion thereof, or other securities issuable upon conversion of such shares of Series D Preferred Stock, shall not be deemed outstanding for any purpose, and the holder thereof shall have no rights with respect to the Common Stock (including voting rights) by virtue of holding such share of Series D Preferred Stock.

(vi) All shares of Common Stock delivered upon conversion of the Series D Preferred Stock shall be duly authorized, validly issued, fully paid and non-assessable, free and clear of all liens, claims, security interests, charges and other encumbrances.

(c) No Impairment. The Corporation will not, by amendment of its Articles of Incorporation or the By-Laws or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions hereof, including Section 3(b) and this Section 5 and in the taking of all such actions as may be necessary or appropriate in order to protect the adjustment and conversion rights of the holders of the Series D Preferred Stock against impairment. Nothing in this Section S(c) shall be deemed to grant approval or voting rights to the holders of Series D Preferred Stock that are in addition to those set forth in Section 9 hereof.

(d) Reservation of Shares Issuable upon Conversion. The Corporation will at all times reserve and keep available out of its authorized but unissued Common Stock solely for the purpose of effecting the conversion of the Series D Preferred Stock such number of shares of Common Stock as will from time to time be sufficient to effect the conversion of all outstanding Series D Preferred Stock; *provided* that if at any time the number of authorized but unissued Common Stock will not be sufficient to effect the conversion of all then outstanding Series D Preferred Stock, the Corporation will take such action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued Common Stock to such number of shares as will be sufficient for such purpose.

6. Reorganization Events.

(a) So long as any shares of Series D Preferred Stock are outstanding, ifthere occurs a Reorganization Event, then a holder of shares of Series D Preferred Stock shall, effective as of the consummation of such Reorganization Event, automatically receive for such Series D Preferred Stock the type and amount of securities, cash and other property receivable in such Reorganization Event by a holder of the number of shares of Common Stock into which the number of shares of Series D Preferred Stock held by such holder would then be convertible (without regard to any limitations on conversion of the Series D Preferred Stock).

(b) In the event that holders of shares of Common Stock have the opportunity to elect the form of consideration to be received in such transaction, the holders of Series D Preferred Stock shall be entitled to participate in such elections as if they had converted all of their Series D Preferred Stock into Common Stock immediately prior to the election deadline.

(c) For the avoidance of doubt, nothing set forth herein shall prohibit the Corporation from entering into or consummating a transaction constituting a Reorganization Event provided that the Series D Preferred Stock is treated as set forth in this Section 6.

7. Maturity; Redemption. The Series D Preferred Stock shall be perpetual unless converted in accordance with this Certificate of Designation. The Series D Preferred Stock will not be redeemable at the option of the Corporation or any holder of Series D Preferred Stock at any time. Notwithstanding the foregoing, nothing contained herein shall prohibit the Corporation from repurchasing or otherwise acquiring shares of Series D Preferred Stock in voluntary transactions with the holders thereof. Any shares of Series D Preferred Stock repurchased or otherwise acquired may be cancelled by the Corporation and thereafter be reissued as shares of any series of preferred stock of the Corporation.

8. Voting Rights. The holders of Series D Preferred Stock will not have any voting rights, except as provided in Section 9 below or as otherwise from time to time required by law.

9. Protective Provisions.

(a) So long as any shares of Series D Preferred Stock are outstanding, the vote or consent of the holders of a majority of the shares of Series D Preferred Stock at the time outstanding, voting as a single class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, will be necessary for effecting or validating any of the following actions, whether or not such approval is required by Louisiana law:

(i) any amendment, alteration or repeal (including by means of a merger, consolidation or otherwise) of any provision of the Articles of Incorporation (including this Certificate of Designation) or the By-Laws that would adversely affect the rights or preferences of the Series D Preferred Stock (which shall not include, for the avoidance of doubt, any Reorganization Event in connection with which the Series D Preferred Stock is treated as provided in Section 6 above or any increase or decrease in the authorized amount of capital stock of the Corporation); or

(ii) the consummation of a Reorganization Event in connection with which the Series D Preferred Stock is not converted or otherwise treated as provided in Section 6.

Notwithstanding anything to the contrary herein, any increase in the amount of the authorized preferred stock or any securities convertible into preferred stock or the creation and issuance, or an increase in the authorized or issued amount, of any series of preferred stock or any securities convertible into preferred stock, in any case ranking equally with, junior to and/or senior to the Series D Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and/or the distribution of assets upon the Corporation's liquidation, dissolution or winding up will not, in and of itself, be deemed to adversely affect rights, preferences or privileges of the Series D Preferred Stock and, notwithstanding any provision of Louisiana law, holders of Series D Preferred Stock will have no right to vote solely by reason of such an increase, creation or issuance.

(b) Notwithstanding the foregoing, holders of Series D Preferred Stock shall not have any voting rights if, at or prior to the effective time of the act with respect to which such vote would otherwise be required, all outstanding shares of Series D Preferred Stock shall have been converted into shares of Common Stock.

(c) In the event that the Corporation makes (i) an offer to repurchase shares of Common Stock from all of the holders thereof, or (ii) a tender offer for any shares of Common Stock, the Corporation shall also offer to repurchase or make a tender offer for, as applicable, shares of Series D Preferred Stock pro rata based upon the number of shares of Common Stock such holders would be entitled to receive if such shares were converted into shares of Common Stock immediately prior to such repurchase and otherwise on terms which would provide the holders of the Series D Preferred Stock consideration and other terms equivalent to the terms offered to the holders of Common Stock assuming the Series D Preferred Stock were so converted.

10. Notices. Any notice required by the provisions hereof to be given to the holders of Series D Preferred Stock will be deemed given upon the earlier of (i) actual receipt and (ii) three (3) business days after being sent by certified or registered mail, postage prepaid, return receipt requested, and addressed to each holder of record at such holder's address as it appears on the books of the Corporation.

11. Record Holders. To the fullest extent permitted by law, the Corporation will be entitled to recognize the record holder of any share of Series D Preferred Stock as the true and lawful owner thereof for all purposes and will not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other Person, whether or not it will have express or other notice thereof.

12. No Preemptive Rights. Except as may be set forth in any agreement between the Corporation and any holder of Series D Preferred Stock, the holders of Series D Preferred Stock are not entitled to any preemptive or preferential right to purchase or subscribe for any capital stock, obligations, warrants or other securities or rights of the Corporation.

13. Replacement Certificates. In the event that any Certificate will have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by the Corporation, the posting by such Person of a bond in such amount as the Corporation may determine is necessary as indemnity against any claim that may be made against it with respect to such Certificate, the Corporation or the Corporation's transfer agent, as applicable, will deliver in exchange for such lost, stolen or destroyed Certificate a replacement Certificate.

14. Other Rights. The shares of Series D Preferred Stock have no rights, preferences, privileges or voting powers or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or as provided by applicable law.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Designation to be duly executed by the undersigned officer this _____ day of [_____], 2012.

COMMUNITY TRUST FINANCIAL CORPORATION

By: _____

Name:

Title:

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement **("Agreement")** is dated as of November 9, 2012, by and between Community Trust Financial Corporation, a Louisiana corporation **("Company")** and Castle Creek Capital Partners IV, LP, a Delaware limited partnership (**"Purchaser").**

RECITALS

A. The authorized capital stock of the Company consists of (i) 50,000,000 shares of common stock, $5.00 par value per share **("Common Stock"),** of which 6,616,565 shares are issued and 6,612,196 shares outstanding, and (ii) 1,000,000 shares of preferred stock **("Preferred Stock"),** no par value per share, of which 48,260 are issued and outstanding.

B. The Company desires to issue and sell to the Purchaser, and the Purchaser desires to purchase from the Company, in a private offering of the Company's capital stock **("Private Placement")** that is exempt from registration under Section 4(2) of the Securities Act of 1933, as amended (the **"Securities Act"),** and Rule 506 of Regulation D **("Regulation D")** promulgated by the Securities and Exchange Commission **("Commission")** under the Securities Act, 810,811 shares of Common Stock at an aggregate purchase price equal to $30,000,007. The Private Placement shall include the sale of additional shares of Common Stock and shares of Nonvoting Preferred Stock to other accredited investors in the Private Placement (the **"Other Purchasers"),** with the closing of such sales to occur simultaneously with the Closing. The sales to the Other Purchasers will be made pursuant to separate securities purchase agreements with the Other Purchasers (the **"Other Purchase Agreements").**

C. The Company has engaged Stephens Inc. as its exclusive placement agent (the **"Placement Agent")** for the Private Placement.

D. Contemporaneously with the execution and delivery of this Agreement, the parties hereto are executing and delivering a Registration Rights Agreement, substantially in the form attached hereto as Exhibit E (the **"Registration Rights Agreement"** and, together with this Agreement and the Other Purchase Agreements, the **"Transaction Documents"),** pursuant to which, among other things, the Company will agree to provide certain registration rights with respect to the Shares under the Securities Act and the rules and regulations promulgated thereunder and applicable state securities laws.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and Purchaser hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms shall have the meanings indicated in this Section 1.1:

"Action" means any inquiry, notice of violation or Proceeding pending or, to the Company's Knowledge, threatened in writing against the Company, any Subsidiary or any of their respective properties or any officer, director or employee of the Company or any Subsidiary acting in his or her capacity as an officer, director or employee before or by any Governmental Authority.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, is controlled by or is under common control with such Person.

"Agency" has the meaning set forth in Section 3.1(gg).

"Agreement" has the meaning set forth in the Preamble.

"Approved Share Plan" means (i) any employee benefit plan which has been approved by the Board of Directors prior to or subsequent to the date hereof pursuant to which standard options to purchase Common Stock (and Common Stock issuable upon exercise thereof) or shares of restricted Common Stock may be issued to any employee, officer, consultants or director for services provided to the Company or any of its Subsidiaries in their capacity as such, or (ii) any current or future Company- or Bank- sponsored rabbi trust that has been created for the purpose of supporting the nonqualified benefit obligations of the Company and its Subsidiaries.

"Audited Financial Statements" has the meaning set forth in Section 3.l(i).

"Bank" means Community Trust Bank, a Louisiana state bank and wholly-owned Subsidiary of the Company.

"Bank Board" has the meaning set forth in Section 4.15(a).

"Bank Regulatory Authorities" has the meaning set forth in Section 3.1(b)(ii).

"BHC Act" has the meaning set forth in Section 3.1(b)(ii).

"BHC Act Control" has the meaning set forth in Section 3.1(rr).

"Board of Directors" means the Board of Directors of the Company.

"Burdensome Condition" has the meaning set forth in Section 5.l(g).

"**Business Day**" means any day other than a Saturday or a Sunday or a day on which Louisiana state banks are authorized or required by Law or executive order to close.

"**CIBC Act**" means the Change in Bank Control Act of 1978, as amended.

"**Closing**" means the closing of the purchase and sale of the Shares pursuant to this Agreement.

"**Closing Date**" means the date of the Closing.

"**Code**" means the Internal Revenue Code of 1986, as amended, including the regulations and published interpretations thereunder.

"**Commission**" has the meaning set forth in the Recitals.

"**Common Stock**" has the meaning set forth in the Recitals.

"**Company**" has the meaning set forth in the Preamble.

"**Company Counsel**" means Jones, Walker, Waechter, Poitevent, Carrére & Denégre L.L.P.

"**Company Deliverables**" has the meaning set forth in Section 2.3(a).

"**Company Reports**" has the meaning set forth in Section 3.l(h).

"**Company Securities**" means the Common Stock, preferred stock (including Nonvoting Preferred Stock), any other equity or equity-linked security issued by the Company and securities, options, warrants or other rights convertible into or exercisable or exchangeable (or entitling the holder thereof to subscribe for) for Common Stock or preferred stock or any other equity or equity-linked security issued by the Company.

"**Company's Knowledge**" means, with respect to any statement made to the knowledge of the Company, that the statement is based upon the actual knowledge, after reasonable inquiry, of any of the following executive

officers of the Company: Chief Executive Officer, Chief Financial Officer, Chief Risk Officer or Chief Operating Officer.

"**Confidential Information**" means information about the Company and its Subsidiaries provided to the Purchaser by the Company, the Bank or their Representatives, including, without limitation, the information provided to the Purchaser pursuant to Section 4.6 hereof, except that "Confidential Information" does not include any information that (i) was publicly available prior to the date of this Agreement or hereafter becomes publicly available without any violation of this Agreement by the Purchaser or any of its Representatives, (ii) was available to the Purchaser or its Representatives on a non-confidential basis prior to its disclosure to the Purchaser or its Representatives by the Company, the Bank or their Representatives or (iii) becomes available to the Purchaser or it Representatives from a Person other than the Company, the Bank or their Representatives who is not, to the Purchaser's or its Representative's knowledge, subject to any legally binding obligation to keep such information confidential.

"Constituent Documents" means, with respect to any entity, its articles or certificate of incorporation, bylaws, and any similar charter or other organizational documents of such entity.

"Control" (including the terms "controlling", "controlled by" or "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Environmental Laws" has the meaning set forth in Section 3.1(1).

"ERISA" has the meaning set forth in Section 3.1(ii).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Exercise Notice" has the meaning set forth in Section 4.16(c).

"Expedited Issuance" has the meaning set forth in Section 4.16(g).

"FDIC" has the meaning set forth in Section 3.l(b)(ii).

"Federal Reserve" has the meaning set forth in Section 3.1(b)(ii).

"Financial Statements" has the meaning set forth in Section 3.1(i).

"Fundamental Representations" means the Company's representations and warranties set forth in Sections 3.l(b)(i), 3.l(c), 3.l(f), 3.l(g), 3.l(i) and 3.l(nn).

"GAAP" means U.S. generally accepted accounting principles consistently applied over the period involved.

"Governance Committee" has the meaning set forth in Section 4.15(a).

"Governmental Authority" means any federal, state, county, local or foreign court, arbitrator, governmental or administrative agency, bureau, commission, regulatory authority, stock market, stock exchange or trading facility.

"Indemnification Claim" has the meaning set forth in Section 4.7(b).

"Indemnified Person" has the meaning set forth in Section 4.7(a).

"Insurer" has the meaning set forth in Section 3.1(gg).

"**Intellectual Property**" has the meaning set forth in Section 3.l(r).

"**IPO**" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

"**Issuance Notice**" has the meaning set forth in Section 4.16(b).

"**Law**" has the meaning set forth in Section 3.1(d).

"**Legend Removal Date**" has the meaning set forth in Section 4.2(c).

"**Lien**" means any lien, mortgage, deed of trust, pledge, conditional sale agreement, restriction on transfer, charge, claim, encumbrance, security interest, right of first refusal, preemptive right or other restriction of any kind.

"**Loan Investor**" has the meaning set forth in Section 3.1(gg).

"**Losses**" has the meaning set forth in Section 4.7(a).

"**Material Adverse Effect**" means any event, circumstance, change or occurrence that has had, or would reasonably be expected to have, (i) an adverse effect on the legality, validity or enforceability of this Agreement, (ii) a material and adverse effect on the operations, results of operations, assets, liabilities, properties, business, condition (financial or otherwise) or prospects of the Company and the Subsidiaries, taken as a whole, or (iii) any adverse impairment to the Company's ability to perform in any material respect on a timely basis its obligations under this Agreement.

"**Material Contract**" means any contract of the Company that is material to the condition (financial or otherwise), results of operations, assets, liabilities, properties, business, prospects or operations of the Company.

"**Material Permits**" has the meaning set forth in Section 3.1(p).

"**Money Laundering Laws**" has the meaning set forth in Section 3.1(pp).

"**New Securities**" has the meaning set forth in Section 4.15(a).

"**Observer**" has the meaning set forth in Section 4.15(d).

"**OFAC**" has the meaning set forth in Section 3.1(aa).

"**OFI**" has the meaning set forth in Section 3.1(b)(ii).

"**Other Purchase Agreements**" has the meaning set forth in the Recitals.

"**Other Purchasers"** has the meaning set forth in the Recitals.

"**Outside Date**" has the meaning set forth in Section 2.2.

"**Person**" means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, Governmental Authority or any other form of entity or group (as defined in Section 13(d)(3) of the Exchange Act) not specifically listed herein.

"**Placement Agent**" has the meaning set forth in the Recitals.

"**Preferred Stock**" has the meaning set forth in the Recitals.

"**Private Placement**" has the meaning set forth in the Recitals.

"**Proceeding**" means a civil, criminal or administrative action, claim, litigation, suit, arbitration, hearing, investigation or other proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"**Purchase Price**" has the meaning set forth in Section 2.1.

"**Purchaser**" has the meaning set forth in the Preamble.

"**Purchaser Indemnitor**" has the meaning set forth in Section 4.15(f).

"**Purchaser Deliverables**" has the meaning set forth in Section 2.3(b).

"**Qualifying Ownership Interest**" has the meaning set forth in Section 4.14.

"**Registration Rights Agreement**" has the meaning set forth in the Recitals.

"**Regulation D**" has the meaning set forth in the Recitals.

"**Regulatory Agreement**" has the meaning set forth in Section 3.1(dd).

"**Representatives**" of any Person means the Affiliates, officers, directors, employees, members, managers, partners, attorneys, accountants, financial advisors and other agents, advisors and representatives of such Person.

"**Request**" has the meaning set forth in Section 4.15(a).

"**Required Filings**" has the meaning set forth in Section 3.1(e).

"**Rule 144**" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Shares**" means the Common Stock purchased by the Purchaser under this Agreement.

"**Statutory Representations**" means the Company's representations and warranties set forth in Sections 3.1(j), 3.1(l) and 3.1(ii).

"**Stock Certificates**" has the meaning set forth in Section 2.3(a)(i).

"**Subscription Amount**" has the meaning set forth in Section 2.1.

"**Subsidiary**" means any Person in which the Company, directly or indirectly, owns or Controls sufficient capital stock, equity or a similar interest such that it is consolidated with the Company in the financial statements of the Company.

"**Subsidiary Securities**" means any shares of capital stock or other equity securities of any Subsidiary of the Company, any options, warrants or other rights to acquire any shares of capital stock or other equity securities of any Subsidiary of the Company and any other securities convertible into or exercisable or exchangeable for (or entitling the holder thereof to subscribe for) any shares of capital stock or other equity securities of any Subsidiary of the Company.

"**Tax**" or "**Taxes**" means (i) any federal, state, local or foreign income, gross receipts, property, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or add on minimum, ad valorem, transfer or excise tax, or any other tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty, imposed by any Governmental Authority and (ii) any liability in respect of any items described in clause (i) above payable by reason of contract, assumption, transferee or successor liability, operation of law, Treasury Regulations Section l.1502-6(a) (or any predecessor or successor thereof or analogous or similar provisions of Law) or otherwise.

"**Tax Return**" means any return, declaration, report or similar statement required to be filed with respect to any Tax (including any attached schedules), including, without limitation, any information return, claim for refund, amended return or declaration of estimated Tax.

"**Third Party Claim**" has the meaning set forth in Section 4.7(b).

"**Transfer Agent"** means Wells Fargo Shareowner Services, St. Paul, Minnesota, in its capacity as transfer agent for the Company, or any successor transfer agent for the Company.

"**Transaction Documents**" has the meaning set forth in the Preamble.

"**Treasury**" means the U.S. Department of the Treasury.

"**Unaudited Financial Statements**" has the meaning set forth in Section 3.1(i).

"**VCOC**" has the meaning as set forth in Section 4.12(b).

"**VCOC Letter**" has the meaning set forth in Section 2.3(a)(vii).

"**VCOC Investor**" has the meaning as set forth in Section 4.12(b).

"Voting Securities" has the meaning set forth in Section 4.16.

ARTICLE II

PURCHASE AND SALE

2.1 Purchase and Sale of the Shares. On the terms and subject to the conditions set forth in this Agreement, at the Closing, the Company agrees to issue, sell, convey and transfer to the Purchaser, and the Purchaser agrees to purchase from the Company, for its own account, free and clear of all Liens, 810,811 Shares of Common Stock. The purchase price for the Shares will be $37.00 per Share **("Purchase Price"),** and the aggregate Purchase Price for the Shares will be equal to $30,000,007 **("Subscription Amount").**

2.2 Closing. Unless this Agreement has been terminated in accordance with Section 6.13, the Closing of the purchase and sale of the Shares will take place, simultaneously with the closing of the sale of shares of Common Stock to the Other Purchasers pursuant to the Other Purchase Agreements, at a time and date as shall be agreed upon by the parties hereto, but in no event later than the third (3rd) Business Day following the date on which the conditions to the Closing set forth in this Agreement shall have been satisfied or waived (other than those conditions that by their nature are to be satisfied at the Closing, but subject to fulfillment of waiver of those conditions), remotely by facsimile or electronic transmission or by such other means and at such location as the parties may mutually agree. The Company and the Purchaser agree to use all reasonable best efforts to cause the Closing to take place on or prior to December 31, 2012 (the "Outside Date"). In the event the Closing does not take place on or prior to the Outside Date, this Agreement may be terminated with no further obligation or liability by either party hereto in accordance with Section 6.13(a)(ii); provided, however, that if the Closing does not take place on or prior to the Outside Date solely by reason of nonsatisfaction of the condition set forth in Section 5.l(i)(2), then any party may elect to extend the Outside Date until January 31, 2013 by providing written notice to the other party on or not more than three (3) Business Days prior to December 31, 2012 (and such extended date shall be the "Outside Date"). Subject to the satisfaction or waiver of the conditions set forth in Sections 5.1 and 5.2, on the Closing Date, the Company will deliver to the Purchaser the Shares against payment by the Purchaser, by wire transfer of immediately available U.S. funds in accordance with the wire instructions delivered in writing to the Purchaser not later than two (2) Business Days prior to the Closing Date, equal to the Subscription Amount to a bank account designated by the Company.

2.3 Closing Deliveries.

(a) At or prior to the Closing, the Company will issue, deliver or cause to be delivered to the Purchaser the following **("Company Deliverables"):**

(i) this Agreement, duly executed by the Company;

(ii) one stock certificate, free and clear of all restrictive and other legends (except as expressly provided in Section 4.2(b)), evidencing the Shares, registered in the name of the Purchaser or as otherwise set forth on the Purchaser's Stock Certificate Questionnaire included as Exhibit A hereto **("Stock Certificates");**

(iii) a legal opinion of Company Counsel, dated as of the Closing Date, in substantially the form attached hereto as Exhibit B, executed by such counsel and addressed to the Purchaser, which opinion shall be identical in all material respects to any opinion that may be delivered to the Other Purchasers as part of the Private Placement;

(iv) the Registration Rights Agreement, duly executed by the Company;

(v) a certificate of the Secretary of the Company, in the form attached hereto as Exhibit C, dated as of the Closing Date, (a) certifying the resolutions adopted by the Board of Directors approving the transactions contemplated by the Transaction Documents, including the issuance of the Shares under this Agreement and the shares of Common Stock under the Other Purchase Agreements, (b) certifying the current versions of the Constituent Documents of the Company, and (c) certifying as to the signatures and authority of the individuals signing the Transaction Documents and related documents on behalf of the Company;

(vi) a certificate of the Chief Executive Officer of the Company, in substantially the form attached hereto as Exhibit D, dated as of the Closing Date, certifying to the fulfillment of the conditions specified in Sections 5.l(a), 5.l(b) and 5.l(j);

(vii) the VCOC Letter, duly executed by the Company in the form attached hereto as Exhibit F ("VCOC Letter"); and

(viii) a Certificate of Good Standing and a Certificate of Existence for the Company from the Louisiana Secretary of State dated as of a recent date.

(b) At or prior to the Closing, the Purchaser will deliver or cause to be delivered to the Company the following **("Purchaser Deliverables"):**

(i) this Agreement, duly executed by such Purchaser;

(ii) the Subscription Amount, in U.S. dollars and in immediately available funds, by wire transfer in accordance with the Company's written instructions;

(iii) the Registration Rights Agreement, duly executed by such Purchaser;

(iv) the VCOC Letter, duly executed by the Purchaser; and

(v) a fully completed Stock Certificate Questionnaire in the form attached hereto as Exhibit A.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. The Company hereby represents and warrants as of the date hereof and as of the Closing Date (except for the representations and warranties that speak as of a specific date, which are made as of such date) to the Purchaser that:

(a) Subsidiaries. The Company has no direct or indirect Subsidiaries or equity interest in any other Person other than as set forth on Schedule 3.1(a). The Company owns, directly or indirectly, all of the capital stock or comparable equity interests of each Subsidiary free and clear of any and all Liens, and all the issued and outstanding shares of capital stock or comparable equity interests of each Subsidiary are validly issued and are fully paid, nonassessable (except to the extent that stock of an Louisiana state bank may be assessable under La R.S. 6:262) and free of preemptive and similar rights to subscribe for or purchase securities.

(b) Organization and Qualification; Bank Regulations.

(i) Each of the Company and its Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization (as applicable), with the requisite power and authority to own or lease and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any of its Subsidiaries is in violation of any of the provisions of their respective Constituent Documents. Each of the Company and its Subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, has not had and would not reasonably be expected to have a Material Adverse Effect.

(ii) The Company is duly registered as a bank holding company under the Bank Holding Company Act of 1956, as amended (the **"BHC Act").** The Company has also made an election to become and is a financial holding company pursuant to Section 4(k) and (1) of the BHC Act. The Bank holds the requisite authority from the Louisiana Office of Financial Institutions (the **"OFI")** to do business as an Louisiana state bank under the Laws of the State of Louisiana. The Company and its Subsidiaries are in compliance with all Laws administered by the Board of Governors of the Federal Reserve System (the **"Federal Reserve"),** the Federal Deposit Insurance Corporation (the **"FDIC"),** the OFI and any other federal or state bank regulatory authorities (together with the OFI, the Federal Reserve and the FDIC, the **"Bank Regulatory Authorities")** with jurisdiction over the Company and its Subsidiaries, except for any noncompliance that, individually or in the aggregate, has not had and would not be reasonably expected to have a Material Adverse Effect. The deposit accounts of the Bank are insured up to applicable limits by the FDIC, and all premiums and assessments required to be paid in connection therewith have been paid when due; and no proceedings for the termination or revocation of deposit insurance are pending or, to the Company's Knowledge, threatened. The Bank has the full power and authority to own or lease all of the assets or properties owned or leased by it and to conduct its business in all material respects.

(c) Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and to consummate the transactions contemplated hereby and thereby, and otherwise to carry out its obligations hereunder and thereunder, including, without limitation, to issue the Shares in accordance with the terms hereof. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement, and the consummation by the Company of the transactions contemplated hereby and thereby (including, but not limited to, the sale and delivery of the Shares), have been duly authorized by all necessary corporate action on the part of the Company and its Board of Directors, and no further corporate action is required by the Company, its Board of Directors or its shareholders in connection therewith, other than in connection with the Required Filings. This Agreement and the Registration Rights Agreement have been duly and validly executed by the Company, and assuming the due authorization, execution and delivery of this Agreement and the Registration Rights Agreement by the Purchaser, will constitute the legal, valid and binding obligation of the Company enforceable against it in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, liquidation or similar Laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application; (ii) as limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies; and (iii) insofar as indemnification and contribution provisions may be limited by applicable Law. There are no shareholder agreements, voting agreements, voting trust agreements or similar agreements with respect to the Company's capital stock to which the Company is a party or, to the Company's Knowledge, between or among any of the Company's shareholders, and no such agreements are currently contemplated.

(d) No Conflicts. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Shares) do not and will not (i) conflict with or violate the Constituent Documents of the Company or any Subsidiary; (ii) result in the creation or imposition of any Lien on the Shares or any of the assets or properties of the Company or any Subsidiary; (iii) conflict with, violate or constitute a default (or an event which with notice or lapse of time or both would become a default) or result in the loss of a benefit under, or give to any other Person any right of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any Subsidiary is a party; or (iv) conflict with, violate or constitute a default (or an event which with notice or lapse of time or both would become a default) or result in the loss of a benefit under any federal, state, local or foreign statute, ordinance, law, rule, regulation, order, judgment, decree, agency requirement or legal requirement (including federal and state securities laws) (each, a **"Law")** applicable to the Company or any Subsidiary, except in the case of clauses (iii) and (iv) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(e) Filings, Consents and Approvals. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the transactions contemplated hereby and thereby will not require any action by, or in respect of, or filing with, any federal, state, local or other Governmental Authority, self-regulatory organization or other Person, other than (i) the filing of a Notice of Exempt Offering of Securities on Form D with the Commission under Regulation D of the Securities Act, and (ii) the requisite filings under state securities Laws to qualify the offering of Shares for exemptions from securities registration (collectively, the **"Required Filings");** and (iii) the filing of a registration statement and such other notices and filings as maybe required pursuant to the Registration Rights Agreement.

(f) Issuance of the Shares. The Shares have been duly authorized and, when issued and delivered in accordance with the terms of this Agreement, against payment of the Subscription Amount, will be duly authorized by all necessary corporate action, duly and validly issued, fully paid, non-assessable, free and clear of all Liens (other than restrictions on transfer provided for in this Agreement or imposed by applicable securities Laws), and free of any preemptive or similar rights.

(g) Capitalization. As of the date hereof, the authorized capital stock of the Company consists of (i) 50,000,000 shares of Common Stock, of which 6,616,565 shares are issued and 6,612,196 shares outstanding as of the date hereof, and (ii) 1,000,000 shares of Preferred Stock, of which 48,260 are issued and outstanding as of the date hereof. Such shares of Preferred Stock have been designated as Senior Noncumulative Perpetual Preferred Stock, Series C, and were issued to the Treasury on July 6, 2011 in connection with the Company's participation in the Treasury's Small Business Lending Fund Program. Immediately following consummation of the Private Placement and the issuance of additional shares of Common Stock pursuant thereto, the Shares acquired by the Purchaser pursuant to this Agreement will represent not more than 9.99% of the issued and outstanding shares of Common Stock. All of the issued and outstanding shares of capital stock of the Company have been, and upon consummation of the Private Placement will be, duly authorized and validly issued and are, and upon consummation of the Private Placement will be, fully paid, non-assessable and free of Liens, with no personal liability attaching to the ownership thereof, have been, and upon consummation of the Private Placement will be, issued in compliance in all material respects with all applicable federal and state securities Laws, and none of such shares of capital stock has been, or upon consummation of the Private Placement will be, issued in violation of any preemptive rights or similar rights to subscribe for or purchase any capital stock of the Company. As of the date hereof, there are (i) 232,642 outstanding stock options (the **"Company Stock Options")** issued as nonqualified stock options pursuant to individual employment or other agreements with a weighted average exercise price equal to $24.19 per share and (ii) 700,000 shares of Common Stock remaining available for issuance under the Company's 2012 Stock Incentive Plan (the **"Company Plan").** Each Company Stock Option (i) was granted in compliance with all applicable Laws and all of the terms and conditions of the individual employment or other agreements, and, to the extent issued under the Company Plan, in compliance with the Company Plan, (ii) has an exercise price per share of Common Stock equal to or greater than the fair market value of a share of Common Stock on the date of such grant and (iii) has a grant date identical to or following the date on which the Board of Directors or compensation committee of the Board of Directors actually awarded such Company Stock Option. As of the date hereof, other than the shares of Common Stock reserved under the Company Plan, no shares of Common Stock or Preferred Stock are reserved for issuance. Neither the Company nor any of its officers, directors or employees is a party to any right of first refusal,

tight of first offer, proxy, voting agreement, voting trust, registration rights agreement or shareholders agreement with respect to the sale or voting of any securities of the Company. Except as disclosed on Schedule 3.l(g), (i) none of the capital stock of the Company is subject to preemptive rights or any other similar rights; (ii) there are no outstanding options or other equity-based awards, warrants, scrip, rights to subscribe to, calls, agreements, arrangements or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, or evidencing the right to subscribe for, purchase or receive any shares of capital stock of the Company or any Subsidiary, (iii) there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of capital stock of the Company or any Subsidiary or options or other equity-based awards, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, or evidencing the right to subscribe for, purchase or receive any shares of capital stock of the Company or any Subsidiary; (iv) there are no material outstanding debt securities, notes, credit agreements, credit facilities or other agreements, arrangements, commitments, documents or instruments evidencing indebtedness of the Company or any Subsidiary or by which the Company or any Subsidiary is bound, other than credit agreements or facilities entered into by the Bank in the ordinary course of its business; (v) there are no agreements, commitments, understandings or arrangements under which the Company or any Subsidiary is obligated to register the sale of any of the securities of the Company or any Subsidiary under the Securities Act (except pursuant to the Registration Rights Agreement); (vi) there are no outstanding securities or instruments, agreements, commitments, understandings or arrangements of the Company or any Subsidiary that contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to sell, transfer, dispose, repurchase or redeem a security of the Company or any Subsidiary; (vii) there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Shares; (viii) the Company does not have any stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement; and (ix) neither the Company nor any Subsidiary has any liabilities or obligations not disclosed on the Company's Financial Statements or disclosed in the notes thereto, which, individually or in the aggregate, will have or would reasonably be expected to have a Material Adverse Effect.

(i) Immediately following the consummation of the Private Placement and assuming no exercises of Company Stock Options prior to Closing, (i) 8,504,088 shares of Common Stock and (ii) 453,666 shares of Preferred Stock (including 405,406 shares of Nonvoting Preferred Stock) will be outstanding as set forth on Schedule 3.l(g).

(h) Reports, Registrations and Statements. Since January 1, 2010, the Company and its Subsidiaries have filed all material reports, registrations and statements, together with any required amendments thereto, that they were required to file with the Bank Regulatory Authorities and any other applicable foreign, federal or state securities or banking authorities, including, without limitation, all financial statements and financial information required to be filed by it under the Federal Deposit Insurance Act and the BHC Act, and have paid all fees and assessments due and payable in connection therewith. All such reports, registrations and statements filed with any such regulatory body or authority are collectively referred to herein as the **"Company Reports."** All such Company Reports were filed on a timely basis or the Company or its Subsidiaries, as applicable, received a valid extension of such time of filing and has filed any such Company Reports prior to the expiration of any such extension. As of their respective dates, the Company Reports complied in all material respects with all the rules and regulations promulgated by the Bank Regulatory Authorities and any other applicable foreign, federal or state securities or banking authorities, as the case may be.

(i) Financial Statements. The audited consolidated balance sheets of the Company and its Subsidiaries as of December 31, 2010 and December 31, 2011 and the related audited consolidated statements of income, shareholders' equity and cash flows for the year then ended (the **"Audited Financial Statements")** and the unaudited consolidated balance sheets of the Company and its Subsidiaries as of June 30, 2012 and the related unaudited consolidated statements of income for the periods then ended (the **"Unaudited Financial Statements,"** and collectively with the Audited Financial Statements, the **"Financial Statements"),** have been delivered to Purchaser prior to the date hereof. The Financial Statements have been prepared from, and are in accordance with, the books and records of the Company and the Subsidiaries. The Financial Statements comply in all material respects with applicable accounting requirements and the rules and regulations of the applicable Government Authority with respect thereto as in effect at the time of filing. The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis during the periods involved, except as may be otherwise specified in such Financial Statements or the

notes thereto and except that the Unaudited Financial Statements may not contain all footnotes required by GAAP. The Financial Statements fairly present in all material respects the results of operations and changes in shareholders' equity and the consolidated financial position of the Company and its Subsidiaries taken as a whole (in each case to the extent such items are presented in such Financial Statements) as of and for the dates thereof and for the periods then ended (as applicable), subject, in the case of the Unaudited Financial Statements, to normal, year-end audit adjustments, which would not be material, either individually or in the aggregate.

(j) Tax Matters. Each of the Company and its Subsidiaries (i) has prepared and timely filed all foreign, federal and state income and all other Tax Returns and all such Tax Returns were complete and correct in all material respects; (ii) has paid all Taxes and other governmental assessments and charges that are material in amount, whether or not shown or determined to be due on such Tax Returns, except those being contested in good faith, with respect to which adequate reserves have been set aside on the books of the Company in accordance with GAAP; (iii) has set aside on its books provisions reasonably adequate for the payment of all Taxes for periods subsequent to the periods to which such returns, reports or declarations apply, (iv) is not subject to any outstanding audit, assessment, dispute or claim concerning any material Tax liability of the Company or any of its Subsidiaries either within the Company's Knowledge or claimed, pending or raised by an authority in writing; (v) is not a party to, bound by or otherwise subject to any obligation under any Tax sharing or Tax indemnity agreement or similar contract or arrangement; (vi) has not participated in a "listed transaction" within the meaning of Treasury Regulation Section 1.6011- 4(b)(2); (vii) does not have any liability for Taxes of any Person arising from the application of Treasury Regulation Section 1.1502-6 or any analogous provision of state, local or foreign Law, or as a transferee or successor, by contract, or otherwise; (viii) has timely withheld, collected or deposited as the case may be all material Taxes (determined both individually and in the aggregate) required to be withheld, collected or deposited by it, and to the extent required, have been paid to the relevant taxing authority in accordance with applicable Law; and (ix) have complied with all applicable information reporting requirements in all material respects.

(k) Material Changes. Since December 31, 2011, except as disclosed on Schedule 3.1(k), (i) there have been no events, circumstances, changes, occurrences or developments that have had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect; (ii) the Company has not incurred any material liabilities (contingent or otherwise) other than (A) trade payables, accrued expenses and other liabilities incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Financial Statements pursuant to GAAP; (iii) the Company has not altered materially its method of accounting or the manner in which it keeps its accounting books and records; (iv) the Company has not declared or made any dividend or distribution of cash or other property to its shareholders or purchased, redeemed or made any agreement, arrangement, commitment or understanding to purchase or redeem any shares of its capital stock; (v) the Company has not issued any equity securities to any officer, director or Affiliate; (vi) there has not been any material change or amendment to, or any waiver of any material right by the Company under, any Material Contract under which the Company or any of its Subsidiaries is bound or subject; (vii) to the Company's Knowledge, there has not been a material increase in the aggregate dollar amount of: (A) the Bank's nonperforming loans (including nonaccrual loans and loans ninety (90) days or more past due and still accruing interest) or (B) the reserves or allowances established on the Company's or Bank's financial statements with respect thereto; and (viii) there has not been any material damage, destruction, or other casualty loss with respect to any material asset or property owned, leased, or otherwise used by the Company or any Subsidiary, whether or not covered by insurance.

(l) Environmental Matters. Neither the Company nor any Subsidiary (i) is in violation of any Law relating to the use, disposal or release of hazardous or toxic substances or relating to the protection or restoration of the environment or human exposure to hazardous or toxic substances (collectively, **"Environmental Laws");** (ii) owns or operates any real property contaminated with any substance that is in violation of any Environmental Laws; (iii) is liable for any off-site disposal or contamination pursuant to any Environmental Laws; or (iv) is subject to any claim relating to any Environmental Laws; in each case, which violation, contamination, liability or claim has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; and, to the Company's Knowledge, there is no pending or threatened investigation that might lead to such a claim.

(m) Litigation. Except as disclosed on Schedule 3.l(m), there is no Action that (i) adversely affects or challenges the legality, validity or enforceability of this Agreement or the transactions contemplated hereby (including the issuance of the Shares hereunder) or (ii) has had or would reasonably be expected to have a Material Adverse Effect, individually or in the aggregate, if there was an unfavorable decision, and neither the Company nor

any of its Subsidiaries has any material liabilities or obligations of any nature (absolute, accrued, contingent, or otherwise) which are not appropriately reflected or reserved against in the Financial Statements to the extent required to be so reflected or reserved against in accordance with GAAP, except for liabilities that have arisen since June 30, 2012, in the ordinary course of business consistent with past practice. Neither the Company nor any Subsidiary, nor any director or officer thereof, is or has been the subject of any Action involving a claim of violation of or liability under federal or state securities Laws or a claim of breach of fiduciary duty. There has not been, and to the Company's Knowledge there is not pending or contemplated, any investigation by any Governmental Authority involving the Company or any current or former director or officer of the Company. Except as disclosed on Schedule 3.1(m), there are no outstanding orders, judgments, injunctions, awards or decrees of any Governmental Authority against the Company or any executive officers or directors of the Company in their capacities as such which, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect.

(n) Employment Matters. Employees of the Company and its Subsidiaries are not and have never been represented by any labor union nor are any collective bargaining agreements otherwise in effect with respect to such employees. No labor organization or group of employees of the Company or any Subsidiary has made a pending demand for recognition or certification, and there are no representation or certification proceedings or petitions seeking a representation proceeding presently pending or, to the Company's Knowledge, threatened to be brought or filed with the National Labor Relations Board or any other labor relations tribunal or authority. There are no organizing activities, strikes, work stoppages, slowdowns, lockouts, arbitrations or grievances, or other labor disputes pending or, to the Company's Knowledge, threatened against or involving the Company or any Subsidiary. To the Company's Knowledge, no executive officer is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement or noncompetition agreement, or any other contract or agreement or any restrictive covenant in favor of a third party, and the continued employment of each such executive officer does not subject the Company or any Subsidiary to any material liability with respect to any of the foregoing matters. The Company and each Subsidiary is in compliance in all material respects with all U.S. federal, state, local and foreign Laws and regulations relating to employment and fair employment practices, immigration, terms and conditions of employment, compensation, benefits, employment discrimination and harassment, workers compensation, occupational safety and health, and wages and hours. Neither the Company nor any Subsidiary is a party to or otherwise bound by any consent decree with or citation by any Governmental Authority relating to employees or employment practices. As of the date of this Agreement, no material employee has given notice to the Company or any of its Subsidiaries of his or her intent to terminate his or her employment or service relationship with the Company or any of its Subsidiaries.

(o) Compliance. The Company and its Subsidiaries are in material compliance with all Laws of any Governmental Authority applicable to their respective businesses or operations. Neither the Company nor any Subsidiary (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any Subsidiary under), nor has the Company or any Subsidiary received written notice of a claim that it is in default under or that it is in violation of, any Material Contract (whether or not such default or violation has been waived); (ii) is in violation of any order of any Governmental Authority having jurisdiction over the Company, any Subsidiary or their respective properties or assets; or (iii) is in violation of, or in receipt of written notice that it is in violation of, any Law of any Governmental Authority or self-regulatory organization applicable to the Company or any Subsidiary, except in each case as has not had or would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(p) Regulatory Permits. The Company and each of its Subsidiaries possess all certificates, authorizations, consents, licenses, franchises, variances, exemptions, orders, approvals and permits issued by the appropriate Governmental Authorities necessary to conduct their respective businesses as currently conducted, except where the failure to possess such permits, individually or in the aggregate, has not and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect **("Material Permits"),** and (i) neither the Company nor any Subsidiary has received any notice in writing of Actions relating to the revocation or material adverse modification of any such Material Permits and (ii) the Company is unaware of any facts or circumstances that would give rise to the suspension, revocation or material adverse modification of any Material Permits.

(q) Title to Assets. Each of the Company and its Subsidiaries has good and marketable title to all real property and tangible personal property owned by it that is material to the business of the Company and its Subsidiaries, taken as a whole, in each case free and clear of all Liens except such as do not materially affect the value

of such property and do not interfere with the use made and proposed to be made of such property by the Company or such Subsidiary, as applicable. Any real property and facilities held under lease by the Company or any of its Subsidiaries is held by such party under a valid, subsisting and enforceable lease with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and facilities by the Company or such Subsidiary, as applicable. There is not, under any such lease, any existing default by the Company or any such Subsidiary or any event which, with notice or lapse of time or both, would constitute such default. None of the owned or leased premises or properties of the Company or any of its Subsidiaries is subject to any current or, to the Company's Knowledge, potential interests of third parties or other restrictions or limitations that would impair or be inconsistent in any material respect with the current use of such property by the Company or any of its Subsidiaries, as the case may be.

(r) Intellectual Property; Privacy. Except as disclosed on Schedule 3.l(r), each of the Company and its Subsidiaries owns, possesses, licenses or has other rights to use all foreign and domestic patents, patent applications, trade and service marks, trade and service mark registrations, brand names, trade names, copyrights, designs, inventions, trade secrets, technology, Internet domain names, know-how and other intellectual property (collectively, the **"Intellectual Property"),** free and clear of all Liens and third party rights, necessary for the conduct of their respective businesses as currently conducted, except where the failure to own, possess, license or have such rights has not had and would not have or reasonably be expected to have a Material Adverse Effect. Except where such violations, misappropriations, infringements or unauthorized use would not have or reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, (i) there are no rights of third parties to any such Intellectual Property; (ii) there is no infringement, misappropriation or unauthorized use by third parties of any such Intellectual Property; (iii) there is no pending or threatened Action by any Person challenging the Company's and/or any Subsidiary's rights in or to any such Intellectual Property; (iv) there is no pending or threatened Action by any Person challenging the validity or scope of any such Intellectual Property; and (v) there is no pending or threatened Action by any Person that the Company and/or any Subsidiary infringes, misappropriates or otherwise violates any Intellectual Property of any other Person. The Company and its Subsidiaries comply in all material respects with all Laws with respect to the protection of personal privacy, personally identifiable information, sensitive personal information and any special categories of personal information regulated thereunder.

(s) Insurance. Each of the Company and its Subsidiaries is insured, and during each of the past two calendar years has been insured, by insurers of recognized financial responsibility against such losses and risks and in such amounts as the Company believes to be prudent and customary In the businesses and locations in which the Company and its Subsidiaries are engaged. All premiums due and payable under all such policies and bonds have been timely paid, and the Company and its Subsidiaries are in material compliance with the terms of such policies and bonds. Neither the Company nor any of its Subsidiaries has received any notice of cancellation of any such insurance, nor, to the Company's Knowledge, will it or any Subsidiary be unable to renew their respective existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would be materially higher than their existing insurance coverage.

(t) Transactions With Affiliates and Employees. Except as set forth on Schedule 3.l(t), none of the officers, directors, employees or Affiliates of the Company or any of its Subsidiaries is presently a party to any contract, arrangement or transaction with the Company or any of its Subsidiaries or to a presently contemplated contract, arrangement or transaction (other than for services as employees, officers and directors) that would be required to be disclosed pursuant to Item 404 of Regulation S-K promulgated under the Securities Act if such item were applicable to the Company.

(u) Internal Accounting Controls. The Company maintains a system of internal accounting controls that is designed to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any difference. The records, systems, controls, data and information of the Company and its Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process whether computerized or not) that are under the exclusive ownership and direct control of the Company or its Subsidiaries or accountants (including all means of

access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be expect to have, individually or in the aggregate, a Material Adverse Effect. The Company has not been advised of any material weaknesses in the design or operation of internal controls over financial reporting which could reasonably be expected to adversely affect the Company's ability to record, process, summarize and report financial data, or any fraud, whether or not material, that involves management. Since January 1, 2011, (i) no material weakness in internal controls has been identified by the Company's auditors or management; and (ii) there have been no significant changes in internal controls that could reasonably be expected to materially and adversely affect internal controls.

(v) No Integrated Offering; Private Placement. Assuming the accuracy of the Purchaser's representations and warranties set forth in Section 3.2 of this Agreement and assuming the accuracy of the representations and warranties of each other Person who purchased Common Stock during the past six (6) months, (i) none of the Company, any Subsidiary nor, to the Company's Knowledge, any of its Affiliates or any Person acting on its behalf has, directly or indirectly, at any time within the past six (6) months, made any offers or sales of any Company security. or solicited any offers to buy any security under circumstances that would cause such offers and sales to be integrated for purposes of Regulation D and any state securities or blue sky laws with the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements or that otherwise would cause the exemption from registration under Regulation D or and any state securities or blue sky laws to be unavailable in connection with the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements and (ii) no registration under the Securities Act or any state securities or blue sky laws is required for the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements.

(w) Investment Company. Neither the Company nor any of its Subsidiaries is, and immediately after receipt of payment for the Shares will be, an "investment company," an "affiliated person" of, "promoter" for or "principal underwriter" for, an entity "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

(x) Unlawful Payments. Neither the Company nor any of its Subsidiaries, nor any directors, officers, nor to the Company's Knowledge, employees, agents or other Persons acting at the direction of or on behalf of the Company or any Subsidiary has, in the course of its actions for, or on behalf of, the Company or any of its Subsidiaries: (i) directly or indirectly, used any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to foreign or domestic political activity; (ii) made any direct or indirect unlawful payments to any foreign or domestic governmental officials or employees or to any foreign or domestic political parties or campaigns from corporate funds; (iii) violated any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any other similar applicable foreign, federal, or state legal requirement; (iv) made any other unlawful bribe, rebate, payoff, influence payment, kickback or other material unlawful payment to any foreign or domestic government official or employee; or (v) has violated or operated in noncompliance with any export restrictions, money laundering law, anti-terrorism law or regulation, anti-boycott regulations or embargo regulations.

(y) Application of Takeover Protections; Rights Agreements. The Company has not adopted any stockholder rights plan or similar agreement, arrangement or understanding relating to accumulations of beneficial ownership of Common Stock or a change in control of the Company. The Company and its Board of Directors have taken all action necessary to render inapplicable any control share acquisition, business combination, fair price, moratorium, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under applicable Law, the Company's Constituent Documents, or any agreement, arrangement or understanding with any of the Company's shareholders or any other Person that is or could become applicable to the Purchaser as a direct consequence of the transactions contemplated by this Agreement, including, without limitation, the Company's issuance of the Shares to the Purchaser and the Purchaser's ownership of the Shares.

(z) Off Balance Sheet Arrangements. There is no agreement, commitment, transaction, arrangement, or other relationship between the Company (or any of its Subsidiaries) and any unconsolidated or other off balance sheet entity that would have or reasonably be expected to have a Material Adverse Effect.

(aa) OFAC. Neither the Company nor any Subsidiary nor any director, officer, agent, employee, Affiliate or Person acting on behalf of the Company or any Subsidiary is currently subject to any U.S.

sanctions administered by the Office of Foreign Assets Control of the Treasury **("OFAC");** and the Company will not knowingly, directly or indirectly, use the proceeds of the sale of the Shares, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person or entity, towards any sales or operations in any country sanctioned by OF AC or for the purpose of financing the activities of any Person currently subject to any U.S. sanctions administered by OFAC.

(bb) No Additional Agreements. Except as set forth on Schedule 3.l(bb), the Company has no other agreements, arrangements or understandings (including, without limitation, the Other Purchase Agreement or any side letters) with any Person to issue shares of capital stock of the Company on terms more favorable to such Person than as set forth herein.

(cc) Well Capitalized. Immediately following consummation of the Private Placement, the Bank will be "well capitalized" under applicable Federal Reserve and FDIC regulations for prompt corrective action.

(dd) Agreements with Regulatory Agencies. Neither the Company nor any of its Subsidiaries is subject to any cease-and-desist or other similar order or enforcement action issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any capital directive by, or since January 1, 2008, has adopted any board resolutions at the request of, any Governmental Authority that currently restricts in any material respect the conduct of its business or that in any material manner relates to its capital adequacy, its liquidity and funding policies and practices, its ability to pay dividends, its credit, risk management or compliance policies, its internal controls, its management or its operations or business (each item in this sentence, a **"Regulatory Agreement"),** nor has the Company or any Subsidiary been advised since January 1, 2011 by any Governmental Authority that it is considering issuing, initiating, ordering, or requesting any such Regulatory Agreement. The Company and its Subsidiaries are in compliance in all material respects with each Regulatory Agreement to which it is party or subject, and neither the Company nor any of its Subsidiaries has received any notice from any Governmental Authority indicating that the Company or any of its Subsidiaries is not in compliance in all material respects with any such Regulatory Agreement.

(ee) Fiduciary Obligations. The Company and its Subsidiaries have, in all material respects, properly administered all accounts for which it acts as a fiduciary, including accounts for which it serves as a trustee, agent, custodian, personal representative, guardian, conservator or investment advisor, in accordance with the terms of the governing documents, applicable federal and state Law and regulation and common law. None of the Company, its Subsidiaries or any director, officer or employee of the Company or its Subsidiaries has, in any material respect, committed any breach of trust or fiduciary duty with respect to any such fiduciary account and the accountings for each such fiduciary account are true and correct in all material respects and accurately reflect the assets of such fiduciary account.

(ff) No General Solicitation or General Advertising. Neither the Company nor any Person acting on its behalf has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Regulation D of the Securities Act) in connection with any offer or sale of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements.

(gg) Mortgage Banking Business. Except for such matters that have not had and would not reasonably be expected to have a Material Adverse Effect:

(i) The Company and its Subsidiaries have complied with, and all documentation in connection with the origination, processing, underwriting and credit approval of any mortgage loan originated, purchased or serviced by the Company or its Subsidiaries satisfied, (A) all applicable federal, state and local Laws, rules and regulations with respect to the origination, insuring, purchase, sale, pooling, servicing, subservicing, or filing of claims in connection with mortgage loans, including all Laws relating to real estate settlement procedures, consumer credit protection, truth in lending Laws, usury limitations, fair housing, transfers of servicing, collection practices, equal credit opportunity and adjustable rate mortgages, (B) the responsibilities and obligations relating to mortgage loans set forth in any agreement between the Company or its Subsidiaries and any Agency, Loan Investor or Insurer, (C) the applicable rules, regulations, guidelines, handbooks and other requirements of any Agency, Loan Investor or Insurer, (D) the terms and provisions of any

mortgage or other collateral documents and other loan documents with respect to each

mortgage loan and (E) the underwriting guidelines and other loan policies and procedures of the Company or any applicable Subsidiary;

(ii) No Agency, Loan Investor or Insurer has (A) claimed in writing that the Company or any of its Subsidiaries has violated or has not complied with the applicable underwriting standards with respect to mortgage loans sold by the Company or any of its Subsidiaries to a Loan Investor or Agency, or with respect to any sale of mortgage servicing rights to a Loan Investor, (B) imposed in writing restrictions on the activities (including commitment authority) of the Company or any of its Subsidiaries or (C) indicated in writing to the Company or any of its Subsidiaries that it has terminated or intends to terminate its relationship with the Company or any of its Subsidiaries for poor performance, poor loan quality or concern with respect to the Company's or any of its Subsidiaries' compliance with Laws; and

(iii) To the Company's Knowledge, the characteristics of the loan portfolio of the Company have not materially changed from the characteristics of the loan portfolio of the Company as of June 30, 2012.

For purposes of this Section 3.l(gg): (A) **"Agency"** means the Federal Housing Administration, the Federal Home Loan Mortgage Corporation, the Farmers Home Administration (now known as Rural Housing and Community Development Services), the Federal National Mortgage Association, the United States Department of Veterans' Affairs, the Rural Housing Service of the U.S. Department of Agriculture or any other Governmental Authority with authority to (i) determine any investment, origination, lending or servicing requirements with regard to mortgage loans originated, purchased or serviced by the Company or any of its Subsidiaries or (ii) originate, purchase, or service mortgage loans, or otherwise promote mortgage lending, including state and local housing finance authorities; (B) **"Loan Investor"** means any Person (including an Agency) having a beneficial interest in any mortgage loan originated, purchased or serviced by the Company or any of its Subsidiaries or a security backed by or representing an interest in any such mortgage loan; and (C) **"Insurer"** means a Person who insures or guarantees for the benefit of the mortgagee all or any portion of the risk of loss upon borrower default on any of the mortgage loans originated, purchased or serviced by the Company or any of its Subsidiaries, including the Federal Housing Administration, the United States Department of Veterans' Affairs, the Rural Housing Service of the U.S. Department of Agriculture and any private mortgage insurer, and providers of hazard, title or other insurance with respect to such mortgage loans or the related collateral.

(hh) Risk Management Instruments. Except as has not had or would not be reasonably be expected to have a Material Adverse Effect, since January 1, 2011, all material derivative instruments, including, swaps, caps, floors and option agreements, whether entered into for the Company's own account, or for the account of one or more of its Subsidiaries, were entered into (1) only for purposes of mitigating identified risk and in the ordinary course of business, (2) in accordance with prudent practices and in all material respects with all applicable Laws, rules, regulations and regulatory policies and (3) with counterparties believed to be financially responsible at the time; and each of them constitutes the valid and legally binding obligation of the Company or its Subsidiary, enforceable in accordance with its terms. Neither the Company nor its Subsidiaries, nor, to the Company's Knowledge, any other party thereto, is in breach of any of its material obligations under any such agreement or arrangement. The Company aild its Subsidiaries have in place risk management policies and procedures sufficient in scope and operation designed to protect against risks or the type and in amounts reasonably expected to be incurred by persons of similar size and in similar lines of business as the Company and its Subsidiaries.

(ii) ERISA. The Company and its Subsidiaries are in compliance in all material respects with all presently applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder (herein called **"ERISA").** No "reportable event" (as defined in ERISA) has occurred with respect to any "pension plan" (as defined in ERISA) for which the Company, any Subsidiary, or any employer that would be considered a single employer with the Company under Sections 414(b), (c), (m) or (o) of the Code, would have any liability. None of the Company, any Subsidiary or any employer that would be considered a single employer with the Company under Sections 414(b), (c), (m) or (o) of the Code maintains, contributes or has any liability, whether contingent or otherwise, with respect to, and has not within the preceding six (6) years maintained, contributed or had any liability, whether contingent or otherwise, with respect to any "employee benefit plan," within the meaning of Section 3(3) of ERISA, that is, or has been, (i) subject to Title IV of ERISA or Section 412 of the Code, (ii) maintained by more than one employer within the meaning of Section 413(c) of the Code,

(iii) subject to Sections 4063 or 4064 of ERISA, or (iv) a "multiemployer plan," within the meaning of Section 4001(a)(3) of ERISA. Each "pension plan" for which the Company or any Subsidiary would have liability that is intended to be qualified under Section 401(a) of the Code is so qualified in all material respects and nothing has occurred, whether by action or by failure to act, that would cause the loss of such qualification. Neither the Company nor any Subsidiary has any obligation to provide or make available any post-employment benefit under any "welfare plan" (as defined in Section 3(1) of ERISA) for any current or former employee or other service provider, except as may be required under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, or any similar state Law.

(jj) Shell Company Status. The Company is not, and has never been, an issuer identified in Rule 144(i)(l).

(kk) Nonperforming and Classified Assets. Except as set forth on Schedule 3.l(kk), to the Company's Knowledge, as of the date hereof, the Company believes that its Subsidiaries will be able to fully and timely collect substantially all interest, principal or other payments when due under their respective loans, leases and other assets that are not classified as nonperforming and such belief is reasonable under all the facts and circumstances known to the Company and its Subsidiaries, and the Company believes that the amount of reserves and allowances for loan and lease losses and other nonperforming assets established on the Financial Statements is adequate and such belief is reasonable under all the facts and circumstances known to the Company and its Subsidiaries.

(ll) Change in Control. The issuance of the Shares to the Purchaser pursuant to this Agreement and the issuance of shares of Common Stock to the Other Purchasers pursuant to the Other Purchase Agreements will not trigger any rights under any "change of control" provision in any of the agreements to which the Company or any of its Subsidiaries is a party, including any employment, "change in control," severance or other compensatory agreements and any benefit plan, which results in payments to the counterparty or the acceleration of vesting of benefits.

(mm) Material Contracts. Each Material Contract is valid and binding on the Company or its Subsidiaries, as the case may be, and in full force and effect (other than due to the ordinary expiration of the term thereof), and, to the Company's Knowledge, is valid and binding on the other parties thereto. The Company and each of its Subsidiaries (and, to the Company's Knowledge, each· other party thereto) has in all material respects performed all obligations required to be performed by it to date under each Material Contract. To the Company's Knowledge, no other party to the Material Contracts is in breach, violation or default of any such Material Contract, and no event has occurred which with notice or lapse of time or both would constitute a breach, violation or default by any such other party to any such Material Contract. No power of attorney or similar authorization given directly or indirectly by the Company or any of its Subsidiaries is currently outstanding.

(nn) Brokers and Finders. Except as set forth on Schedule (nn), other than the Placement Agent with respect to the Company (which fees are to be paid by the Company and are also set forth on Schedule 3.l(nn)), no Person will have, as a result of the transactions contemplated by this Agreement and the Other Purchase· Agreements, any valid right, interest or claim against or upon the Company, its Subsidiaries or the Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Company or any of its Subsidiaries and no broker or finder has acted directly or indirectly for the Company or any Company Subsidiary in connection with the Transaction Documents or the transactions contemplated hereby or thereby.

(oo) Disclosure. All of the disclosure furnished by or on behalf of the Company to the Purchaser regarding the Company and its Subsidiaries, their respective businesses and the transactions contemplated hereby, is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(pp) Money Laundering Laws. The operations of the Company and each of its Subsidiaries are and have been conducted at all times in material compliance with the money laundering statutes of applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any applicable governmental agency (collectively, the "Money Laundering Laws") and to

the Company's Knowledge, no action, suit or proceeding by or before any Governmental Authority involving the Company and/or any Subsidiary with respect to the Money Laundering Laws is pending or threatened.

(qq) Compliance with Certain Banking Regulations. To the Company's Knowledge, there are no existing facts and circumstances, and management has no reason to believe that any facts or circumstances exist, that would cause the Bank: (i) to be deemed not to be in satisfactory compliance with the Community Reinvestment Act of 1977 (the "CRA") and the regulations promulgated thereunder or to be assigned a CRA rating by federal or state banking regulators of lower than "satisfactory"; (ii) to be deemed to be operating in violation, in any material respect, of the Currency and Foreign Transactions Reporting Act of 1970, as amended, or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001; or (iii) to be deemed not to be in satisfactory compliance, in any material respect, with all applicable privacy of customer information requirements contained in any federal and state privacy laws and regulations as well as the provisions of all information security programs adopted by the Bank.

(rr) Common Control. The Company is not and, after giving effect to the offering and sale of the Shares pursuant to this Agreement and the shares of Common Stock pursuant to the Other Purchase Agreements, will not be under the control (as defined in the BHC Act and the Federal Reserve's Regulation Y (12 C.F.R. Part 225) **("BHC Act Control")** of any company (as defined in the BHC Act and the Federal Reserve's Regulation Y). The Company is not in BHC Act Control of any "insured depository institution," as defined under Section 3(c)(2) of the Federal Deposit Insurance Act of 1950, as amended, other than the Bank. The Bank is not under the BHC Act Control of any company (as defined in the BHC Act and the Federal Reserve's Regulation Y) other than Company. Neither the Company nor the Bank controls, in the aggregate, more than five percent (5%) of the outstanding voting class, directly or indirectly, of any federally insured depository institution, other than the Company's ownership interest in the Bank.

(ss) Securities Purchase Agreement. This Agreement is substantially identical in all material respects to the Other Purchase Agreements entered into between the Company and the Other Purchasers purchasing shares of Common Stock except as to: (i) the type and number of shares of Common Stock and Nonvoting Preferred Stock to be purchased and the aggregate purchase price for such shares (but not the purchase price per share) set forth in Section 2.1 (together with such necessary conforming changes); (ii) the specified maximum dollar amount of reimbursement of any Other Purchaser's fees and expenses (which maximum dollar amounts in any event are not more favorable in proportion to such Other Purchaser's aggregate subscription amount than the maximum dollar amount of reimbursement of Purchaser's fees and expenses pursuant to this Agreement in proportion to the Purchaser's Subscription Amount); (iii) provisions relating to the execution and delivery of the VCOC Letter, which do not appear in all Other Purchase Agreements; (iv) the Other Purchase Agreements may not contain the provisions set forth in Sections 4.12, 4.15 and 4.16 hereof; and (v) the Other Purchase Agreements may differ with respect to the verbiage and percentage amounts set forth under Section 4.17, Avoidance of Control.

(tt) Directors' and Officers' Insurance. (i) The Company maintains directors' and officers' liability insurance and fiduciary liability insurance with, to the Company's Knowledge, financially sound and reputable insurance companies with benefits and levels of coverage that the Company believes to be prudent and customary in the businesses and locations in which the Company and its Subsidiaries are engaged. (ii) the Company has timely paid all premiums on such policies and (iii) there has been no lapse in directors' and officers' liability insurance and fiduciary liability insurance coverage during the term of such policies.

3.2 Representations and Warranties of the Purchaser. The Purchaser represents and warrants to the Company as of the date hereof and as of the Closing Date as follows:

(a) Organization; Authority. The Purchaser is a limited partnership validly existing and in good standing under the Laws of the jurisdiction of its organization with the requisite power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder. The execution and delivery of this Agreement by the Purchaser, and. the performance by the Purchaser of the transactions contemplated by this Agreement, have been duly authorized by all necessary action on the part of the Purchaser. This Agreement has been duly executed by the Purchaser, and assuming the due authorization, execution and delivery of this Agreement by the Company, will constitute the legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, liquidation or similar Laws

relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application; (ii) as limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies; and (iii) insofar as indemnification and contribution provisions may be limited by applicable Law.

(b) No Conflicts. The execution, delivery and performance by the Purchaser of this Agreement and the consummation by the Purchaser of the transactions contemplated hereby will not (i) result in a violation of the Constituent Documents of the Purchaser; (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to any other Person any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Purchaser is a party; or (iii) result in a violation of any Law, rule, regulation, order, judgment or decree (including federal and state securities Laws) applicable to the Purchaser, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of the Purchaser to consummate the transactions contemplated by this Agreement.

(c) Investment Intent. The Purchaser understands that the Shares are "restricted securities" and have not been registered under the Securities Act or any applicable state securities Laws, and the Purchaser is acquiring the Shares as principal for its own account and not with a view to, or for distributing or reselling such Shares or any part thereof in violation of, the Securities Act or any applicable state securities Laws, provided, however, that by making the representations herein, the Purchaser does not agree to hold any of the Shares for any minimum period of time and reserves the right at all times to sell or otherwise dispose of all or any part of such Shares pursuant to an effective registration statement under the Securities Act or under an exemption from such registration and in compliance with applicable federal and state securities Laws. Except with respect to the Registration Rights Agreement, the Purchaser does not presently have any agreement, plan or understanding, directly or indirectly, with any Person to distribute or effect any distribution of any of the Shares to or through any Person.

(d) Purchaser Status. The Purchaser is an "accredited investor" as defined in Rule 50l(a) under the Securities Act.

(e) General Solicitation. The Purchaser is not purchasing the Shares as a result of any advertisement, article, notice or other communication regarding the Shares published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general advertisement.

(f) Investment Risk. The Purchaser understands that its investment in the Shares involves a significant degree of risk and that no representation is being made as to the future value or trading volume of the Shares.

(g) Experience of the Purchaser. The Purchaser, either alone or together with its Representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Shares, and has so evaluated the merits and risks of such investment. The Purchaser is able to bear the economic risk of an investment in the Shares and, at the present time, is able to afford a complete loss of such investment.

(h) Access to Information. The Purchaser acknowledges that it has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, Representatives of the Company concerning the terms and conditions of the offering of the Shares and the merits and risks of investing in the Shares; (ii) access to information about the Company and its Subsidiaries and their respective financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. Neither such inquiries nor any other investigation conducted by or on behalf of the Purchaser or its representatives or counsel shall modify, amend or affect the Purchaser's right to rely on the truth, accuracy and completeness of the Company's representations and warranties contained in this Agreement. The Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to its acquisition of the Shares.

(i) Brokers and Finders. Other than the Placement Agent with respect to the Company (which fees are to be paid by the Company and are also set forth on Schedule 3.l(nn)), no Person will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company or the Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Purchaser.

(j) Independent Investment Decision. The Purchaser has independently evaluated the merits of its decision to purchase Shares pursuant to this Agreement, and the Purchaser is not relying upon, and has not relied upon, any statement, representation or warranty made by any Person, except for the statements, representations and warranties contained in this Agreement. The Purchaser understands that nothing in this Agreement or any other materials presented by or on behalf of the Company to the Purchaser in connection with the purchase of the Shares constitutes legal, tax or investment advice. The Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the Shares. The Purchaser understands that the Placement Agent has acted solely as the agent of the Company in this placement of the Shares and the Purchaser has not relied on the business or legal advice of the Placement Agent or any of its agents, counsel or Affiliates in making its investment decision hereunder, and confirms that none of such Persons has made any representations or warranties to the Purchaser in connection with the transactions contemplated by this Agreement.

(k) Reliance on Exemptions. The Purchaser understands that the Shares being offered and sold to it in reliance on specific exemptions from the registration requirements of U.S. federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Purchaser's compliance with, the representations, warranties, agreements, acknowledgements and understandings of the Purchaser set forth herein in order to determine the availability of such exemptions and the eligibility of the Purchaser to acquire the Shares.

(l) No Governmental Review. The Purchaser understands that no Governmental Authority has passed on or made any recommendation or endorsement of the Shares or the fairness or suitability of the investment in the Shares nor have such authorities passed upon or endorsed the merits of the offering of the Shares.

(m) No Regulatory Consents or Approvals. Except as required pursuant to Section 5.l(k), no consent, approval, order or authorization of, or registration, declaration or filing with, any Bank Regulatory Authority or other third party is required on the part of Purchaser in connection with (a) the execution, delivery or performance by Purchaser of this Agreement and the Transaction Documents contemplated hereby or (b) the consummation by Purchaser of the transactions contemplated hereby.

(n) Residency. The Purchaser's residence (if an individual) or office in which its investment decision with respect to the Shares was made (if an entity) are located at the address of Purchaser contained in Section 6.2.

3.3 No Additional Representations and Warranties. The Company and the Purchaser acknowledge and agree that no party to this Agreement has made or makes any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in this ARTICLE III and the Transaction Documents.

ARTICLE IV

OTHER AGREEMENTS OF THE PARTIES

4.1 Filings; Other Actions.

(a) The Purchaser (on behalf of itself and its Affiliates, and its and their respective directors, officers, partners, members and shareholders), on the one hand, and the Company (on behalf of itself and its Affiliates), on the other hand, will cooperate and consult with each other and use commercially reasonable efforts to prepare and file all necessary documentation, to effect all necessary applications, notices, petitions, filings, and other documents, and to obtain all necessary permits, consents, orders, approvals, and authorizations of, or any exemption by, all third parties and Governmental Authorities, and expiration or termination of any applicable waiting periods,

necessary or advisable to consummate the transactions contemplated by this Agreement and the other Transaction Documents, and to perform their respective covenants in this Agreement and the other Transaction Documents. Each party shall, and shall cause its respective Affiliates, and its and their respective directors, officers, partners, members and shareholders to) execute and deliver, both before and after the Closing, such further certificates, agreements, and other documents and take such other actions as the other party may reasonably request to consummate or implement such transactions or to evidence such events or matters. Notwithstanding anything herein to the contrary, the Purchaser and its Affiliates are not subject to any covenant or agreement under this Agreement to file any application or notice under the BHC Act or the CIBC Act in connection with any of the transactions as contemplated hereby, and nothing herein shall require the Purchaser or any of its Affiliates to take any action that would result in the Purchaser or its Affiliates being deemed to control the Company for the purposes of the BHC Act or the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions), or that would require the Purchaser or its Affiliates to Register as a bank holding company, or that would result in the imposition of any Burdensome Condition. Each party hereto agrees to keep the other party apprised of the status of matters relating to completion of the transactions contemplated hereby.

(b) Each party agrees, upon request, to furnish the other party with all information concerning itself, its subsidiaries, Affiliates, directors, officers, partners, members and shareholders and such other matters as may be reasonably necessary or advisable in connection with any statement, filing, notice, or application made by or on behalf of such other party or any of its subsidiaries to any Governmental Authority in connection with Transaction Documents; provided, however, that this Section 4.1(b) shall not require a party to furnish any of its or its Affiliates' partnership agreements.

4.2 Transfer Restrictions.

(a) Compliance with Laws. Notwithstanding any other provision of this Agreement, the Purchaser covenants that the Shares may be disposed of only pursuant to an effective registration statement under, and in compliance with the requirements of, the Securities Act, or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable state, federal or foreign securities Laws. In connection with any transfer of the Shares other than (i) pursuant to an effective registration statement, (ii) to one or more Affiliates of Purchaser, (iii) to the Company; (iv) in a merger or other recapitalization or business combination transaction authorized and approved by the Board of Directors, or (v) pursuant to Rule 144 (provided that the transferor provides the Company with reasonable assurances (in the form of seller and broker representation letters) that such securities may be sold pursuant to such rule), the Company may require the transferor thereof to provide to the Company and the Transfer Agent, at the transferor's expense, an opinion of counsel selected by the transferor and reasonably acceptable to the Company and the Transfer Agent, the form and substance of which opinion will be reasonably satisfactory to the Company and the Transfer Agent, to the effect that such transfer does not require registration of such Shares under the Securities Act. As a condition of transfer (other than pursuant to clauses (i), (iii), (iv) or (v) of the preceding sentence), any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights of a Purchaser under this Agreement and the Registration Rights Agreement with respect to such transferred Shares.

(b) Legends. Certificates evidencing the Shares will bear any legend as required by the "blue sky" Laws of any state and a restrictive legend in substantially the following form, until such time as they are not required under Section 4.2(c) or applicable Law:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER SAID ACT (PROVIDED THAT THE TRANSFEROR PROVIDES THE COMPANY WITH REASONABLE

ASSURANCES (IN THE FORM OF SELLER REPRESENTATION LETTER AND, IF APPLICABLE, A BROKER REPRESENTATION LETTER) THAT THE SECURITIES MAY BE SOLD PURSUANT TO SUCH RULE). NO REPRESENTATION IS MADE BY THE ISSUER AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THESE SECURITIES.

(c) Removal of Legends. The Company will take such action as may be necessary and appropriate to cause the Transfer Agent to issue to the Purchaser a new certificate representing the Shares without such restrictive legends as set forth in Section 4.2(b) in exchange for the certificate issued to the Purchaser under Section 2.3(a)(ii) of this Agreement upon the earliest to occur of the following: (i) such Shares are registered for resale under the Securities Act, (ii) such Shares are sold or transferred pursuant to Rule 144, or (iii) such Shares are eligible for sale under Rule 144, without the requirement for the Company to be in compliance with the current public information required under Rule 144(c)(l) (or Rule 144(i)(2), if applicable) as to such securities and without volume or manner-of-sale restrictions. If a legend is no longer required pursuant to the foregoing, the Company will no later than three (3) Business Days following the delivery by the Purchaser to the Transfer Agent of a legended certificate representing such Shares (such third trading day, the **"Legend Removal Date"),** deliver or cause to be delivered to the Purchaser a certificate representing such Shares that is free from all restrictive legends. The Company may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this Section 4.2(c). Any fees (with respect to the transfer agent or otherwise) associated with the removal of such legend shall be borne by the Company.

(d) Cooperation by the Company. The Company shall cooperate, in accordance with reasonable and customary business practices with any and all transfers, whether by direct or indirect sale, assignment, award, confirmation, distribution, bequest, donation, trust, pledge, encumbrance, hypothecation or other transfer or disposition, for consideration or otherwise, whether voluntarily or involuntarily, by operation of law or otherwise, by the Purchaser or any of its successors and assigns of the Securities and other shares of Common Stock such party may beneficially own prior to or subsequent to the date hereof in accordance with this Agreement.

4.3 Form D and Blue Sky. The Company will take such action as the Company reasonably determines is necessary in order to obtain an exemption for or to qualify the Shares for sale to the Purchaser at the Closing pursuant to this Agreement under applicable federal and state securities Laws (or to obtain an exemption from such qualification). The Company will make all filings and reports relating to the offer and sale of the Shares required under applicable federal and state securities Laws following the Closing Date.

4.4 No Integration. The Company will not sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that will be integrated with the offer or sale of the Shares in a manner that would violate the integration rules and policies of the Commission and/or any state securities regulatory, or require the registration under the Securities Act of the sale of the Shares to the Purchaser.

4.5 Publicity. The Company shall be permitted, without the prior consent of Purchaser, to issue a press release in connection with the closing of the Private Placement. Such press release may include the total number of shares of Common Stock and Nonvoting Preferred Stock sold and the amount of capital raised pursuant to the Private Placement, including shares acquired by the Purchaser and the Other Purchasers. Without limiting the foregoing, the Company shall not publicly disclose the name of the Purchaser or any Affiliate or investment adviser of the Purchaser, or include the name of the Purchaser or any Affiliate or investment adviser of the Purchaser in any press release or in any filing with the Commission or any regulatory agency (other than in such filings as may be requested by the Federal Reserve in connection with this Private Placement), without the prior written consent of the Purchaser, except to the extent such disclosure is required by Law, in which case the Company shall provide the Purchaser with prior written notice of such disclosure permitted hereunder and a reasonable opportunity to provide comments on such disclosure.

4.6 Confidentiality. Except with the prior written consent of the Company or as otherwise required by Law, the Purchaser will keep confidential and will not disclose, in whole or in part, any Confidential Information (other than to its Representatives), and the Purchaser will use its reasonable best efforts to cause its Representatives who are provided Confidential Information to keep such Confidential Information confidential in accordance with the terms of this Section 4.6 to the fullest extent as if they were parties hereto.

4.7 Indemnification.

(a) Indemnification of the Purchaser. The Company will indemnify and hold the Purchaser and its directors, officers, shareholders, members, managers, partners, employees, agents, successors and assigns (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls the Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, managers, members, partners, employees, agents, successors and permitted assigns (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling Person (each, an **"Indemnified Person")** harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs, interest and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and expenses and costs of investigation, preparation and defense (collectively, "Losses") that any such Indemnified Person may suffer or incur as a result of (i) any breach of or inaccuracy in any of the representations or warranties made by the Company in this Agreement, (ii) any breach or default in performance of any of the covenants or agreements made by the Company in this Agreement, or (iii) any action instituted against an Indemnified Person in any capacity, or any of them or their respective Affiliates, by any Governmental Authority, shareholder of the Company or any other Person who is not an Affiliate of such Indemnified Person, arising out of the transactions contemplated by this Agreement and the other Transaction Documents. The Company will not be liable to any Indemnified Person under this Agreement to the extent, but only to the extent that a loss, claim, damage or liability is attributable to any Indemnified Person's breach of any of the representations, warranties, covenants or agreements made by such Indemnified Person in this Agreement. Any indemnification payment made pursuant to this Agreement shall be treated as an adjustment to purchase price for Tax purposes, except as otherwise required by Law.

(b) Conduct of Indemnification Proceedings. Promptly after receipt by any Indemnified Person of any notice of any demand, claim or circumstance which would or might give rise to a claim or the commencement of any Proceeding in respect of which indemnity may be sought pursuant to this Section 4.7 **("Indemnification Claim"),** such Indemnified Person will notify the· Company in writing of such Indemnification Claim; provided that the failure of any Indemnified Person to so notify the Company will not relieve the Company of its obligations hereunder except to the extent that such failure will have materially and adversely prejudiced the Company (as finally determined by a court of competent jurisdiction, which determination is not subject to appeal or further review). In the event that any Indemnification Claim would or might give rise to a claim or the commencement of any Proceeding by a third party **("Third Party Claim"),** the Company shall be entitled to assume and control the defense thereof, including the employment of counsel reasonably satisfactory to the applicable Indemnified Person at the Company's expense, ifthe Company gives notice to the Indemnified Person of its intent to do so within twenty (20) Business Days of the Company's receipt of notice of the Third Party Claim from the Indemnified Person and agrees in writing, subject to the limitations and other provisions set forth in this Agreement, that it shall indemnify the Indemnified Person with respect to such Third Party Claim. In any Third Party Claim, any Indemnified Person will have the right to retain its own counsel, but the fees and expenses of such counsel will be at the expense of such Indemnified Person, unless: (i) the Company and the Indemnified Person will have mutually agreed to the retention of such counsel; (ii) the Company will have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Person in such Proceeding; (iii) the Third Party Claim does not seek solely monetary relief, (iv) the Company does not conduct the defense of the Third Party Claim actively and diligently, or (v) in the reasonable judgment of counsel to such Indemnified Person, representation of both parties by the same counsel would be inappropriate due to actual or potential conflict of interest between them. The Company will not be liable for any settlement of any Proceeding related to any Indemnification Claim effected without its written consent, which consent will not be unreasonably withheld, delayed or conditioned; provided that in the event the Company has not (i) assumed the defense in such Proceeding and (ii) agreed in writing that it shall indemnify the Indemnified Person with respect to such Proceeding, nothing set forth herein shall prohibit the Indemnified Person from effecting a settlement of such Proceeding and initiating an Indemnification Claim against the Company following such settlement. Without the prior written consent of the Indemnified Person, the Company will not effect any settlement of any pending or threatened Proceeding in respect of which any Indemnified Person is or could have been a party and indemnity could have been sought hereunder by such Indemnified Person, unless such settlement (i) includes an unconditional release of such Indemnified Person from all liability arising out of such Proceeding, (ii) ascribes no fault on the part of such Indemnified Person and (iii) provides for solely monetary relief. In the event the Company exercises the right to undertake any defense against any Third Party Claim as provided above, the Indemnified Person shall reasonably cooperate with the Company in such defense and to the extent possible make

available to the Company all witnesses, pertinent records, materials and information in the Indemnified Person's possession or under the Indemnified Person's control relating thereto as is reasonably requested by the Company. Similarly, in the event the Indemnified Person is, directly or indirectly, conducting the defense against any Third Party Claim, the Company shall reasonably cooperate with the Indemnified Person in such defense and to the extent possible make available to the Indemnified Person all witnesses, records, materials and information in the Company's possession or under the Company's control relating thereto as is reasonably requested by the Indemnified Person.

(c) Limitation on Amount of Company's Indemnification Liability.

(i) Deductible. Except as provided otherwise in Section 4.6(c)(iii), the Company will not be liable for Losses that otherwise are indemnifiable under Section 4.6(a)(i) until the total of all Losses incurred by Purchaser exceeds $350,000.

(ii) Maximum. Except as provided otherwise in Section 4.6(c)(iii), the maximum aggregate liability of the Company for all Losses under Section 4.6(a)(i) is the Subscription Amount.

(iii) Exceptions. The provisions of Section 4.6(c)(i) and (ii) do not apply to (A) claims due to the inaccuracy of any of the representations or breach of any warranties of the Company in Sections 3.l(a), 3.l(b), 3.l(c), 3.l(e), 3.l(f), 3.l(g), 3.l(i) and 3.l(nn) or (B) indemnification claims involving fraud or knowing and intentional misconduct on behalf of the Company. For purposes of the indemnity contained in Section 4.7(a), all qualifications and limitations set forth in the Company's representations and warranties as to "materiality," "Company's Knowledge," "Material Adverse Effect" and words of similar import shall be disregarded in determining whether there shall have been any inaccuracy in or breach of any representations and warranties in this Agreement.

4.8 Use of Proceeds. The Company intends to use all or substantially all of the net proceeds from the sale of the Shares to further capitalize the Company and the Bank for general corporate and working capital purposes. In addition, the Company may also use a portion of the proceeds of the offering to redeem all or a portion of its outstanding preferred stock or to repay all or a portion of our line of credit with First National Bankers Bank; if any. Additionally, the Company may. use the net proceeds to develop additional banking offices or to finance· bank or other acquisitions.

4.9 Limitation on Beneficial Ownership. Neither the Purchaser nor any of its Affiliates will be entitled to purchase a number of Shares that would result in such the Purchaser becoming, directly or indirectly, the beneficial owner (as determined under Rule 13d-3 under the Exchange Act) of more than 9.9% of the issued and outstanding shares of Common Stock (counting for such purposes the number of shares· of Common Stock into which any shares of Nonvoting Preferred Stock then outstanding are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock).

4.10 Certain Transactions. The Company will not merge or consolidate into, or sell, transfer or lease all or substantially all of its property or assets to, any other party unless the successor, transferee or lessee party, as the case may be (if not the Company), expressly assumes the due and punctual performance and observance of each and every covenant and condition of this Agreement to be performed and observed by the Company.

4.11 Conduct of Business. From the date hereof until the earlier of: (x) the Closing Date or (y) the termination of this Agreement in accordance with its terms, except (1) as contemplated by this Agreement or the Other Purchase Agreements and (2) as disclosed in Schedule 4.11, the Company will, and will cause its Subsidiaries to (a) operate their business in the ordinary course consistent with past practice, preserve intact the current business organization of the Company, use commercially reasonable efforts to retain the services of their employees, consultants and agents, preserve the current relationships of the Company and its Subsidiaries with material customers and other Persons with whom the Company and its Subsidiaries have and intend to maintain significant relations, maintain all of its operating assets in their current condition (normal wear and tear excepted) and will not take or omit to take any action that, if taken or omitted to be taken after January 1, 2011 and prior to the date hereof, would constitute a breach of Section 3.l(k), or (b) refrain from: (1) declaring, setting aside or paying any distributions or dividends on, or making any other distributions (whether in cash, securities or other property) in respect of, any of its capital stock; (2) splitting, combining or reclassifying any of its capital stock or issuing or authorizing the issuance of

any other securities in respect of, in lieu of or in substitution for capital stock or any of its other securities; (3) purchasing, redeeming or otherwise acquiring any capital stock or any of its other securities or any rights, warrants or options to acquire any such capital stock or other securities; (4) issuing, delivering, selling, granting, pledging or otherwise disposing of or encumbering any capital stock, any other voting securities or any securities convertible into or exchangeable for, or any rights, warrants or options to acquire, any such capital stock, voting securities or convertible or exchangeable securities, other than any issuance of Common Stock on exercise of any compensatory stock options outstanding on the date of this Agreement; (5) acquiring or agreeing to acquire in any manner, including by way of merger, consolidation, or purchase of any capital stock or assets, any business of any Person or other business organization or division thereof; or (6) selling, transferring or otherwise disposing of (i) all or substantially all of the assets of the Company or any Subsidiary or (ii) any assets that are material to the business or the operation and management of the business of the Company and the Subsidiaries.

4.12 Delivery of Financial Statements; VCOC Rights.

(a) The Company shall deliver to the Purchaser:

(i) as soon as practicable, but in any event within ninety (90) days after the end of each fiscal year of the Company, (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements audited and certified by independent public accountants selected by the Company, and the chief financial officer and chief executive officer of the Company shall certify in writing that such financial statements were prepared in accordance with GAAP consistently applied with prior practice for earlier periods and fairly present the financial condition of the Company and its results of operation for the periods specified therein;

(ii) as soon as practicable, but in any event within forty five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, unaudited statements of income and of cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP), and the chief financial officer and chief executive officer of the Company shall certify in writing that such financial statements were prepared in accordance with GAAP consistently applied with prior practice for earlier periods (except as otherwise set forth in this Section 4.12(a)(ii)) and fairly present the financial condition of the Company and its results of operation for the periods specified therein;

(iii) as soon as practicable following the request of the Purchaser, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Purchaser to calculate its percentage equity ownership in the Company, and certified by the chief financial officer or chief executive officer of the Company as being true, complete, and correct; and

(iv) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as the Purchaser may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Section 4.12(a)(iv) to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

(b) Purchaser and, at the written request of and at a time in conjunction with Purchaser, each Affiliate of Purchaser that indirectly has an interest in the Shares through Purchaser, in each case that is intended to

qualify as a "venture capital operating company" (a **"VCOC")** as defined in the U.S. Department of Labor Regulations codified at 29 C.F.R. Section 2510.3-101 (each, a **"VCOC Investor"),** will have customary and appropriate VCOC rights relating to inspection, information and consultation with respect to the Company (including customary consultation, inspection and access rights at mutually agreeable times (but not more frequently than quarterly)). The Company agrees to consider, in good faith, the recommendations of the VCOC Investor or its designated representative in connection with the matters on which it is consulted as described above, recognizing that the ultimate discretion with respect to all such matters shall be retained by the Company.

4.13 Registration Rights. Contemporaneously with the execution and delivery of this Agreement, the Company and the Purchaser shall execute and deliver the Registration Rights Agreement.

4.14 No Rights Agreement. From and after the date hereof and, from the after the Closing, for so long as the Purchaser, together with its Affiliates, continues to own in the aggregate 4.9% or more of all of the issued and outstanding shares of Common Stock (provided that, in making such calculation, (A) the numerator shall be equal to the number of shares of Common Stock then owned by the Purchaser (counting for such purposes the number of shares of Common Stock into which any shares of Nonvoting Preferred Stock then owned by the Purchaser are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock), and (B) the denominator shall be equal to (1) the number of shares of Common Stock then owned by all shareholders (counting for such purposes the number of shares of Common Stock into which any shares of Nonvoting Preferred Stock then owned by all shareholders are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock), minus (2) the number of shares of Common Stock (counting for such purposes all shares of Common Stock into which any shares of Nonvoting Preferred Stock are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock) issued by the Company following the Closing Date to Persons other than Purchaser and its Affiliates in connection with any issuance in which the Purchaser or its Affiliates (or any permitted assignee of Purchaser or its Affiliates under Section 6.5) was not offered (whether before such issuance or, in the case of an Expedited Issuance, following such issuance) the right to purchase its Pro Rata Portion of such Common Shares in accordance with Section 4.16) (the **"Qualifying Ownership Interest"),** the Company shall not enter into any poison pill agreement, shareholders' rights plan or similar agreement that shall limit the rights of the Purchaser and its Affiliates to hold any shares of Common Stock or acquire additional securities of the Company unless such poison pill agreement, shareholders' rights plan or similar agreement grants an exemption or waiver to the Purchaser and its Affiliates and associates and any group in which the Purchaser may become a member, immediately effective upon execution of such plan or agreement, that would allow the Purchaser and its Affiliates and associates to acquire such additional securities of the Company.

4.15 Governance Matters.

(a) Within ten (10) Business Days subsequent to the receipt of a written request (the **"Request")** of the Purchaser to have a Board Representative (as hereinafter defined) appointed to the Board of Directors in accordance with the terms of this Section 4.15, the Company and the Bank will request, to the extent required, the non-objection or approval of the Federal Reserve to the appointment of the Board Representative. The Company further covenants and agrees that within five (5) days of the earlier to occur of (x) the receipt of the Request, if the approval or non-objection of the Federal Reserve is not required, and (y) the receipt of the non-objection or approval of the Federal Reserve, the Board of Directors shall cause one (1) person nominated by the Purchaser to be elected or appointed to the Board of Directors as well as to the board of directors of the Bank (the **"Bank Board"),** subject to satisfaction of the legal, bank regulatory and governance requirements regarding service as a director of the Company and to the reasonable approval of the Nominating and Governance Committee of the Board of Directors **("Governance Committee")** (such approval not to be unreasonably withheld or delayed). After such appointment or election of a Board Representative, so long as the Purchaser has a Qualifying Ownership Interest, the Company will be required to recommend to its shareholders the election of the Board Representative at the Company's annual meeting, subject to satisfaction of the legal and governance requirements regarding service as a director of the Company and to the reasonable approval of the Governance Committee (such approval not to be unreasonably withheld or delayed). If the Purchaser no longer has a Qualifying Ownership Interest, the Purchaser will have no further rights under Sections 4.15(a) through 4.15(c) and, at the written request of the Board of Directors, shall use all reasonable best efforts to cause its Board Representative to resign from the Board of Directors and the Bank Board as promptly as possible thereafter. The Purchaser shall promptly inform the Company if and when it ceases to hold a Qualifying Ownership

Interest in the Company and the Company shall provide, at its own expense, the Purchaser with all such information as the Purchaser may reasonably request for the calculation of Purchaser's Qualifying Ownership Interest.

(b) The Board Representative shall, subject to applicable law, be one of the nominees of the Company and of the Governance Committee to serve on the Board of Directors. The Company shall use its reasonable best efforts to have the Board Representative elected as a director of the Company by the shareholders of the Company and the Company shall solicit proxies for the Board Representative to the same extent as it does for any of its other Company nominees to the Board of Directors. The Company shall ensure, and shall cause the Bank to ensure, that each committee of the Board of Directors and any equivalent committees of the Bank to which the Board Representative is appointed shall have at least four (4) members for so long as the Purchaser shall have the right to appoint a Board Representative. The Purchaser covenants and agrees to hold all such information obtained from its Board Representative in confidence pursuant to the confidentiality and non-disclosure provisions of Section 4.6 above.

(c) Subject to Section 4.15(a), upon the death, resignation, retirement, disqualification, or removal from office as a member of the Board of Directors or the Bank Board of the Board Representative, the Purchaser shall have the right to designate the replacement for such Board Representative, which replacement shall satisfy all legal, bank regulatory and governance requirements regarding service as a director of the Company, and shall be reasonably acceptable to the Company. The Board of Directors and the Bank Board shall use their respective commercially reasonable efforts to take all action required to fill the vacancy resulting therefrom with such person (including such person, subject to applicable law, being one of the Company's and the Governance Committee's nominees to serve on the Board of Directors and the Bank Board, using all reasonable best efforts to have such person elected as director of the Company by the shareholders of the Company and the Company soliciting proxies for such person to the same extent as it does for any of its other nominees to the Board of Directors, as the case may be).

(d) The Company hereby agrees that, from and after the Closing Date, for so long as the Purchaser, together with its Affiliates, in the aggregate has a Qualifying Ownership Interest and do not have a Board Representative currently serving on the Board of Directors and the Bank Board (or have a Board Representative whose appointment is subject to receipt of regulatory approvals), the Company shall, subject to applicable law, invite a person designated by the Purchaser and reasonably acceptable to the Board of Directors (the **"Observer")** to attend all meetings of the Board of Directors and the Bank Board (including any meetings of committees thereof which a Board Representative would be permitted to attend) in a nonvoting, nonparticipating observer capacity. The Observer shall be entitled to attend such meetings only in the event the Purchaser does not have a Board Representative on the Board of Directors and the Bank Board. The Observer shall not have any right to vote on any matter presented to the Board of Directors or the Bank Board or any committee thereof. The Company shall give the Observer written notice of each meeting of the Board of Directors and the Bank Board at the same time and in the same manner as the members of the Board of Directors or the Bank Board (as the case may be), shall provide the Observer with all written materials and other information given to members of the Board of Directors or the Bank Board (as the case may be) at the same time such materials and information are given to such members and shall permit the Observer to attend as an observer all meetings thereof, and in the event the Company proposes to take any action by written consent in lieu of a meeting, the Company shall give written notice thereof to the Observer prior to the effective date of such consent describing the nature and substance of such action and including the proposed text of such written consents; provided, however, that (1) the Observer may be excluded from executive sessions comprised solely of independent directors by the chairman of the Board of Directors (or, if applicable, the lead or presiding independent director) if, in the written advice of counsel, such exclusion is necessary in order for the Company to comply with applicable law, regulation or stock exchange listing standards (it being understood that it is not expected that the Observer would be excluded from routine executive sessions), (2) the Company, the Board of Directors, the Bank and the Bank Board shall have the right to withhold any information and to exclude the Observer from any meeting or portion thereof if doing so is, in the written advice of counsel, (A) necessary to protect the attorney-client privilege between such party and counsel or (B) necessary to avoid a violation of fiduciary requirements under applicable law and (3) the Purchaser shall use reasonable best efforts to cause its Observer to agree to hold in confidence and trust and to act in a fiduciary manner with respect to all information provided to such Observer. The Purchaser covenants and agrees to hold all such information obtained from its Observer as provided in the prior sentence in confidence pursuant to the confidentiality and non-disclosure provisions of Section 4.6 above. If the Purchaser and its Affiliates in the aggregate no longer have a Qualifying Ownership Interest, the Purchaser will have no further rights under this Section 4.15(d).

(e) The Board Representative shall be entitled to compensation, including fees, and indemnification and insurance coverage in connection with his or her role as a director to the same extent as other

directors on the Board of Directors or the Bank Board, as applicable, and the Board Representative shall be entitled to reimbursement for reasonable documented, out-of-pocket expenses incurred in attending meetings of the Board of Directors and the Bank Board, or any committee thereof in accordance with Company policy. The Company shall notify the Board Representative or the Observer, as the case may be, of all regular meetings and special meetings of the Board of Directors or the Bank Board and of all regular and special meetings of any committee of the Board of Directors and any committee of the Bank Board. The Company shall provide the Board Representative or the Observer, as the case may be, with copies of all notices, minutes, consents and other materials that it provides to all other members of the Board of Directors or the Bank Board (as applicable) concurrently as such materials are provided to the other members.

(f) Each of the Company and the Bank acknowledges that the Board Representative may have certain rights to indemnification, advancement of expenses and/or insurance provided by the Purchaser and/or certain of its Affiliates (collectively, the **"Purchaser Indemnitors").** The Company hereby agrees on behalf of itself and the Bank that with respect to a claim by the Board Representative for indemnification arising out his or her service as a director of the Company and/or the Bank (1) that it is the indemnitor of first resort (i.e., its obligations to the Board Representative are primary and any obligation of the Purchaser Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by the Board Representative are secondary), and (2) that it shall be required to advance the full amount of expenses incurred by the Board Representative and shall be liable for the full amount of all expenses and liabilities incurred by the Board Representative, in each case to the extent legally permitted and as required by the terms of this Agreement and the articles of incorporation or charter, as applicable, and bylaws of the Company and the Bank (and any other agreement regarding indemnification between the Company and/or the Bank, on the one hand, and the Board Representative, on the other hand), subject to the satisfaction of any conditions imposed on the advancement of expense as may be required by the articles of incorporation or charter, as applicable, or bylaws of the Company and the Bank or under applicable law and regulation, without regard to any rights the Board Representative may have against any Purchaser Indemnitor. The Company further agrees that no advancement or payment by any Purchaser lndemnitor on behalf of the Board Representative with respect to any claim for which the Board Representative has sought indemnification from the Company shall affect the foregoing and the Purchaser Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of the Board Representative against the Company. The Company agrees that the Purchaser lndemnitors are express third party beneficiaries of the terms of this Section 4.15(f).

(g) For purposes of this Agreement, **"Board Representative"** means such person designated by the Purchaser to be elected or appointed to the Board of Directors and the Bank Board in accordance with all legal, bank regulatory and governance requirements regarding service and election or appointment as a director of the Company, or any individual designated as a replacement Board Representative pursuant to Section 4.15(c) hereof. Notwithstanding anything to the contrary herein, in no event shall any failure to meet any applicable residency requirement be a valid reason for withholding approval of the Board Representative (or any replacement Board Representation) by the Governance Committee, the Board of Directors, the Bank Board or the Company, as the case may be, under this Section 4.15.

4.16 Rights to Purchase New Securities.

(a) For so long as the Purchaser, together with its Affiliates, has not transferred any Shares acquired pursuant to this Agreement to one or more third parties, Purchaser shall have the right to purchase, on the terms and conditions set forth herein, Purchaser's Pro Rata Portion of (i) any Company Securities, or (ii) any Subsidiary Securities, in each case that the Company or the Company's Subsidiary may propose to issue (each of (i) and (ii), the **"New Securities").** Except as otherwise provided herein, the **"Pro Rata Portion"** of New Securities that the Purchaser shall be entitled to purchase in the aggregate shall be determined by multiplying (x) the total number or principal amount of such offered New Securities by (y) a fraction, the numerator of which is the total number of shares of Common Stock then held by the Purchaser (counting for such purposes all shares of Common Stock into which any securities owned by the Purchaser are directly or indirectly convertible or exercisable, without regard to any limitations on conversion that may apply pursuant to the terms of such securities, if any, and the denominator of which is the total number of shares of Common Stock then outstanding (counting for such purposes all shares of Common Stock into which any securities owned by all shareholders are directly or indirectly convertible or exercisable, without regard to any limitations on conversion that may apply pursuant to the terms of such securities).

(b) The Company shall give Purchaser notice (an **"Issuance Notice")** of any proposed issuance or sale by the Company or any Subsidiary of the Company of any New Securities at least thirty (30) days prior to the proposed issuance or sale date. The Issuance Notice shall specify the price at which such New Securities are to be issued or sold and the other material terms of the issuance. Subject to Section 4.16(f) below, Purchaser shall be entitled to purchase up to Purchaser's Pro Rata Portion of the New Securities proposed to be issued or sold, at the price and on the terms specified in the Issuance Notice.

(c) If Purchaser is to purchase any or all of its Pro Rata Portion of the New Securities specified in the Issuance Notice, Purchaser shall deliver written notice to the Company (an **"Exercise Notice")** of its election to purchase such New Securities within thirty (30) days after the date of the Issuance Notice. The Exercise Notice shall specify the number (or amount) of New Securities to be purchased by Purchaser and shall constitute exercise by Purchaser of its rights under this Section 4.16 and a binding agreement of Purchaser to purchase, at the price and. on the terms and conditions specified in the Issuance Notice, the number of shares (or amount) of New Securities specified in the Exercise Notice. If, at the termination of such thirty (30)-day period, Purchaser shall not have delivered an Exercise Notice to the Company, Purchaser shall be deemed to have waived all of its rights under this Section 4.16 with respect to the purchase of such New Securities (but not with respect to the purchase of future issuances of New Securities).

(d) The Company or the applicable Subsidiary thereof shall have sixty (60) days after the date of the Issuance Notice to consummate the proposed issuance or sale of any or all of such New Securities that Purchaser has not elected to purchase at the price and upon terms and conditions specified in the Issuance Notice; provided that, if such issuance is subject to regulatory approval, such sixty (60)-day period shall be extended until the expiration of ten (10) Business Days after all such approvals have been received, but in no event later than one hundred twenty (120) days after the date of the Issuance Notice. If the Company or a Subsidiary thereof proposes to issue or sell any such New Securities after such sixty (60)-day (or 120-day) period, it shall again comply with the procedures set forth in this Section 4.16.

(e) At the consummation of the issuance or sale of such New Securities, the Company or the applicable Subsidiary thereof shall issue certificates or instruments representing the New Securities to be purchased by Purchaser in connection with exercising its preemptive rights pursuant to this Section 4.16 registered in the name of Purchaser, promptly following payment by Purchaser of the purchase price for such New Securities in accordance with the terms and conditions as specified in the Issuance Notice.

(f) Notwithstanding the foregoing, Purchaser shall not be entitled to purchase New Securities as contemplated by this Section 4.16 in connection with issuances or sales of New Securities (i) to employees, officers, directors or consultants of the Company pursuant to any employee benefit plans or compensatory arrangements approved by the Board of Directors (including upon the exercise of employee stock options granted pursuant to any such plans or arrangements), (ii) as consideration in connection with any bona fide, arm's-length direct or indirect merger, acquisition or similar transaction, (iii) in connection with the exercise or conversion of outstanding Company Securities or any interest payment, dividend or distribution in respect of outstanding Company Securities, (iv) in connection with any expedited issuance of New Securities undertaken at the written direction of an applicable Bank Regulatory Authority, or (v) in connection with the issuance of Company Securities pursuant to the Other Purchase Agreements. Purchaser shall not be entitled to purchase New Securities to the extent that such purchase would cause Purchaser to be in breach of its obligations under Sections 4.9 and 4.17, respectively.

(g) Notwithstanding the foregoing provisions of this Section 4.16, if a majority of the directors of the Board of Directors determines that it is in the best interests of the Company to issue equity or debt securities on an expedited basis, then the Company may consummate the proposed issuance or sale of such securities prior to the expiration of the time periods set forth in Sections 4.16(b) and (c) (an **"Expedited Issuance").** In connection with such Expedited Issuance, the Company and the Board of Directors shall make appropriate provision in order to comply with the provisions of this Section 4.16 following the completion of such Expedited Issuance. The sale of any such additional New Securities under this Section 4.16(g) to the Purchaser and to the Other Purchasers pursuant to similar provisions in the Other Purchase Agreements shall be consummated as promptly as is practicable, but in any event no later than ninety (90) days subsequent to the date on which the Company consummates the Expedited Issuance. Notwithstanding anything to the contrary in this Agreement, no rights of the Purchaser under this Agreement will be adversely affected solely as the result of the temporary dilution of its percentage ownership of Common Shares due to an Expedited Issuance under this Section 4.16(g); provided, however, that such rights may be adversely affected from and after such time, if any, that the Purchaser declines to purchase Common Shares offered to the Purchaser under this Section 4.16.

(h) The Company and the Purchaser shall cooperate in good faith to facilitate the exercise of the Purchaser's rights under this Section 4.16, including to secure any required third party approvals or consents.

4.17 Avoidance of Control. Notwithstanding anything to the contrary in this Agreement, neither the Company nor any Subsidiary shall take any action (including, without limitation, any redemption,. repurchase, rescission or recapitalization of Common Stock, or securities or rights, options or warrants to purchase Common Stock, or securities of any type whatsoever that are, or may become, convertible into or exchangeable into or exercisable for Common Stock in each case, where each Purchaser is not given the right to participate in such redemption, repurchase, rescission or recapitalization to the extent of such Purchaser's pro rata proportion), that would cause (a) the Purchaser's or any other Person's equity of the Company (together with equity owned by the Purchaser's or other Person's Affiliates (as such term is used under the BHC Act)) to exceed 33.3% of the Company's total equity (provided that there is no ownership or control in excess of 9.9% of any class of Voting Securities by the Purchaser or any other Person, together with their respective Affiliates, as applicable) or (b) the Purchaser's or any other Person's ownership of any class of Voting Securities (together with the ownership by the Purchaser's Affiliates (as such term is used under the BHC Act) of Voting Securities) to exceed 9.9%, in each case without the prior written consent of the Purchaser or such Person, or to increase to an amount that would constitute "control" under the BHC Act, the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions) or otherwise cause the Purchaser to "control" the Company under and for purposes of the BHC Act, the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions). Notwithstanding anything to the contrary in this Agreement, the Purchaser (together with its Affiliates (as such term is used under the BHC Act)) shall not have the ability to purchase more than 33.3% of the Company's total equity or exercise any voting rights of any class of securities in excess of 9.9% of the total outstanding Voting Securities. In the event either the. Company or the Purchaser breaches its obligations under this Section 4.17 or believes that it is reasonably likely to breach such an obligation, it shall promptly notify the other parties hereto and shall cooperate in good faith with such parties to modify ownership or make other arrangements or take any other action, in each case, as is necessary to cure or avoid such breach.

4.18 Inspection. The Company shall permit the Purchaser, at the Purchaser's expense, to visit and inspect the Company's and each of its Subsidiaries' properties; examine each of their respective books of account and records; and discuss with each of their respective officers their affairs, finances, and accounts, during normal business hours as may be reasonably requested by the Purchaser; provided, however, that (a) such right of inspection may be exercised by the Purchaser only once per calendar quarter, and (b) neither the Company nor any Subsidiary shall be obligated pursuant to this Section 4.18 to provide access to any information that the Company or its Subsidiary reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company, its Subsidiaries and their respective legal counsel.

4.19 FDIC Final Statement of Policy on Qualifications for Failed Bank Acquisitions. So long as the Purchaser holds any Shares, the Company will not, without the consent of the Purchaser, take any action, directly or indirectly, through its subsidiaries or otherwise, that the Board of Directors believes in good faith would reasonably be expected to cause the Purchaser to be subject to transfer restrictions or other covenants of the FDIC Final Statement of Policy on Qualifications for Failed Bank Acquisitions as in effect at the time of taking such action.

ARTICLE V
CONDITIONS PRECEDENT TO CLOSING

5.1 Conditions Precedent to the Purchaser's Obligations. The obligation of the Purchaser to purchase the Shares at the Closing is subject to the fulfillment to the Purchaser's satisfaction, on or prior to the Closing Date, of each of the following conditions, any of which may be waived by the Purchaser in writing:

(a) Representations and Warranties. The representations and warranties of the Company contained herein shall be true and correct as of the date when made and as of the Closing Date, as though made on and as of such date, except for such representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date.

(b) Performance. The Company will have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by it at or prior to the Closing.

(c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that seeks to restrain, prohibit or rescind the transactions contemplated by this Agreement, including prohibiting or restricting the Purchaser or any of its Affiliates from owning any Shares in accordance with the terms and conditions of this Agreement.

(d) Consents. The Company shall have obtained in a timely fashion any and all consents, permits, approvals, registrations and waivers necessary for consummation of the purchase and sale of the Shares, all of which will be and remain so long as necessary in full force and effect.

(e) Company Deliverables. The Company shall have delivered the Company Deliverables in accordance with Section 2.3(a).

(f) Minimum Gross Proceeds. The Company shall have received (or shall receive concurrently with the Closing) gross proceeds from the Private Placement (including, without limitation, the sale of the Shares to the Purchaser pursuant to this Agreement), at a price per share equal to the Purchase Price, in an aggregate amount of not less than $75,000,000.

(g) No Burdensome Condition. Since the date hereof, there shall not be any action taken, or any law, rule or regulation enacted, entered, enforced or deemed applicable to the Company or its Subsidiaries, the Purchaser (or its Affiliates) or the transactions contemplated by this Agreement, by any Governmental Authority (including any Bank Regulatory Authority) which imposes any new restriction or condition on the Company or its Subsidiaries or the Purchaser or any of its Affiliates (other than such restrictions as· are described in any passivity or anti-association commitments, as may be amended from time to time, entered into by the Purchaser) which the Purchaser determines, in its reasonable good faith judgment, is materially and unreasonably burdensome on the Company's business following the Closing or on the Purchaser (or any of its Affiliates) or would reduce the economic benefits of the transactions contemplated by this Agreement to the Purchaser to such a degree that the Purchaser would not have entered into this Agreement had such condition or restriction been known to it on the date hereof (any such condition or restriction, a **"Burdensome Condition"),** and, for the avoidance of doubt, any requirements to disclose the identities of limited partners, shareholders or members of the Purchaser or its Affiliates or its investment advisers, other than the identities of Affiliates of the Purchaser, shall be deemed a Burdensome Condition unless otherwise determined by the Purchaser in its sole discretion.

(h) Termination. This Agreement shall not have been terminated in accordance with Section 6.13 herein.

(i) Bank Regulatory Issues. (1) The purchase of the Shares shall not (i) cause the Purchaser or any of its Affiliates to violate any bank regulation, (ii) require the Purchaser or any of its affiliates (as such term is used in the BHC Act or the CIBC Act, as applicable) to file a prior notice with the Federal Reserve or its delegee under the CIBC Act or the BHC Act or obtain the prior approval of any bank regulator or (iii) cause the Purchaser, together with any other Person whose Company securities would be aggregated with the Purchaser's Company securities for purposes of any bank regulation or law, to collectively be deemed under the BHC Act, the CIBC Act, any other applicable bank regulation or law, or any rules or regulations promulgated thereunder (or any successor provisions) to own, control or have the power to vote securities which (assuming, for this purpose only, full conversion and/or exercise of such securities by the Purchaser which are convertible or exercisable by their terms in the hands of the Purchaser) would represent more than 9.9% of the Voting Securities outstanding at such time, and (2) the Federal Reserve shall have accepted the Purchaser's usual and customary passivity and anti-association commitments.

(j) Material Adverse Effect. No Material Adverse Effect shall have occurred since the date of this Agreement; and

(k) Federal Reserve. The Purchaser shall have received confirmation, satisfactory in its reasonable good faith judgment, from the Federal Reserve or the Federal Reserve Bank of Dallas, as applicable, and the OFI, to the effect that the purchase of the Shares and the consummation of the Closing and the transactions contemplated by the Purchase Agreement or the Registration Rights Agreement will not result in the Purchaser or any

of its Affiliates being deemed in control of the Company or the Bank for purposes of the BHC Act, the Federal Reserve's Regulation Y and the Laws of the State of Louisiana.

5.2 Conditions Precedent to the Company's Obligations. The Company's obligation to sell and issue the Shares to the Purchaser at the Closing is subject to the fulfillment to the satisfaction of the Company, on or prior to the Closing Date, of each of the following conditions, any of which may be waived by the Company:

(a) Representations and Warranties. The representations and warranties of the Purchaser contained herein shall be true and correct as· of the date when made and as of the Closing Date (other than any inaccuracies that, individually or in the aggregate, would not materially and adversely impact the Purchaser's ability to fund the Subscription Amount and close the Private Placement in a timely manner), as though made on and as of such date, except for such representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date.

(b) Performance. The Purchaser will have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Purchaser at or prior to the Closing.

(c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that seeks to restrain, prohibit or rescind the transactions contemplated by this Agreement, including prohibiting or restricting the Purchaser or any of its Affiliates from owning any Shares in accordance with the terms and conditions of this Agreement.

(d) Purchaser Deliverables. The Purchaser shall have delivered its Purchaser Deliverables in accordance with Section 2.3(b).

(e) Termination. This Agreement shall not have been terminated in accordance with Section 6.13 herein.

ARTICLE VI

MISCELLANEOUS

6.1 Entire Agreement. This Agreement, together with the exhibits and schedules hereto, and the Registration Rights Agreement contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, discussions and representations, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules. At or after the Closing, and without further consideration, the Company and the Purchaser will execute and deliver to the other party such further documents as may be reasonably requested in order to give practical effect to the intention of the parties under this Agreement and the Registration Rights Agreement.

6.2 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder will be in writing and will be deemed given and effective on the earliest of (a) the date of transmission, if such notice or communication is delivered via facsimile (provided the sender receives a machine-generated confirmation of successful transmission) at the facsimile number specified in this Section 6.2 or via electronic mail to the electronic mail address specified in this Section 6.2 prior to 5 :00 p.m., Ruston, Louisiana time, on a Business Day, (b) the next Business Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number specified in this Section 6.2 or via electronic mail to the electronic mail address specified in this Section 6.2 on a day that is not a Business Day or later than 5:00 p.m., Ruston, Louisiana time, on any Business Day, (c) the Business Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service with next day delivery specified, or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications will be as follows:

If to the Company: Community Trust Financial Corporation

1511 N. Trenton Street
Ruston, Louisiana 71270
Attention: Drake D. Mills
Telephone: (318) 254-7422
Fax: (318) 254-7429
E-mail Address: drake@ctbonline.com

With a copy to: Jones, Walker, Waechter, Poitevent, Carrére & Denégre L.L.P.
190 E. Capitol St., Suite 800
Jackson, Mississippi
Attention: J. Andrew Gipson
Telephone: (601) 949-4789
Fax: (601) 949-4804
E-mail Address: agipson@joneswalker.com

If to the Purchaser: Castle Creek Capital Partners IV, LP
6051 El Tordo Rancho
Santa Fe, CA 92067
Attention: John Pietrzak
Telephone: (858) 756-8300
Fax: (858) 756-8301
E-mail Address: jpietrzak@castlecreek.com

With a copy to: Simpson Thacher & Bartlett LLP
1999 Avenue of the Stars, 29th Floor
Los Angeles, CA 90067
Attention: Thomas Wuchenich, Esq.
Telephone: (310) 407-7500
Fax: (310) 407-7502
E-mail Address: twuchenich@stblaw.com

or such other address as may be designated in writing hereafter, in the same manner, by such Person.

6.3 Amendments; Waivers. No amendment or waiver of any provision of this Agreement will be effective with respect to any party unless made in writing and signed by an officer or a duly authorized representative of such party.

6.4 Construction. The headings herein are for convenience only, do not constitute a part of this Agreement and will not be deemed to limit or affect any of the provisions hereof. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. This Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

6.5 Successors and Assigns. The provisions of this Agreement will inure to the benefit of and be binding upon the parties and their successors and permitted assigns. Neither this Agreement, nor any rights or obligations hereunder, may be assigned by the Company without the prior written consent of the Purchaser. The Purchaser may assign its rights hereunder in whole or in part to any Person to whom the Purchaser assigns or transfers any Shares in compliance with this Agreement and applicable law; provided that such transferee will agree in writing to be bound, with respect to the transferred Shares, by the terms and conditions of this Agreement that apply to the "Purchaser."

6.6 No Third-Party Beneficiaries. Nothing contained in this Agreement, expressed or implied, is intended to confer or shall confer upon any person other than the express parties hereto, any benefit right or remedies, except as otherwise provided specifically herein. Notwithstanding the foregoing, the provisions of Sections 4.7 and Section 4.15 shall inure to the benefit of the persons referred to in those Sections to the extent provided therein.

6.7 **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES SUBJECT TO THIS AGREEMENT WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF LOUISIANA, WITHOUT REGARD TO THE LAWS THAT MIGHT OTHERWISE GOVERN UNDER APPLICABLE PRINCIPLES OF CONFLICTS OF LAWS. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS TO PROCESS BEING SERVED IN ANY SUCH PROCEEDING BY MAILING A COPY THEREOF VIA REGISTERED OR CERTIFIED MAIL OR OVERNIGHT DELIVERY (WITH EVIDENCE OF DELIVERY) TO SUCH PARTY AT THE ADDRESS IN EFFECT FOR NOTICES TO IT UNDER THIS AGREEMENT AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE GOOD AND SUFFICIENT SERVICE OF PROCESS AND NOTICE THEREOF. NOTHING CONTAINED HEREIN SHALL BE DEEMED TO LIMIT IN ANY WAY ANY RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.**

6.8 Survival. The representations and warranties of the Purchaser contained herein will not survive the Closing. The representations, warranties, covenants and agreements of the Company shall survive the Closing; provided that, except with respect to the Fundamental Representations, which shall survive the Closing until the expiration of the applicable statute of limitations, the representations and warranties of the Company shall survive the Closing for a period of twenty-four (24) months following the Closing Date; provided that the Fundamental Representations shall survive indefinitely and the Statutory Representations shall survive to the extent of the applicable statute of limitations; provided, further, that if notice of an Indemnification Claim shall have been delivered by an Indemnified Person to the Company prior to the expiration of any representation, warranty, agreement or covenant of the Company in accordance with Section 4.7, this ARTICLE VI and the representations, warranties, agreements and covenants of the Company subject to such Indemnification Claim shall survive until the final resolution of such Indemnification Claim. Upon the expiration of the representations, warranties, agreements and covenants contained in this Agreement pursuant to this Section 6.8, such representations, warranties, agreements and covenants shall be deemed to be of no further force and effect.

6.9 Execution. This Agreement may be executed in any number of counterparts, each of which will be an original and all, when taken together, will be considered one and the same agreement. This Agreement will become effective when each party hereto will have received a counterpart hereof executed by the other party hereto. In the event that any signature is delivered by facsimile transmission, or by e-mail delivery of a ".pdf' format data file, such signature will create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile signature page were an original thereof.

6.10 Severability. If any provision of this Agreement is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired thereby, and the parties will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, will incorporate such substitute provision in this Agreement.

6.11 Remedies. Each of the parties acknowledges that the other party would be irreparably damaged and would not have an adequate remedy at law for money damages in the event that any of the covenants contained in this Agreement was not performed in accordance with its terms or otherwise was materially breached. Accordingly, each of the parties agrees that, without the necessity of proving actual damages or posting bond or other security, the other party will be entitled to temporary or permanent injunction or injunctions, upon proper showing, to prevent breaches of such performance and to specific enforcement of such covenants in addition to any other remedy to which the party may be entitled, at law or in equity.

6.12 Independent Nature of Purchasers' Obligations and Rights. The obligations of the Purchaser under this Agreement are several and not joint with the obligations of any Other Purchaser pursuant to any Other Purchase Agreement, and the Purchaser shall not be responsible in any way for the performance of the obligations of any Other Purchaser under any Other Purchase Agreement. The decision of the Purchaser to purchase the Shares pursuant to this Agreement has been made by the Purchaser independently of any Other Purchaser and independently of any information, materials, statements or opinions as to the business, affairs, operations, assets, properties, liabilities,

results of operations, condition (financial or otherwise) or prospects of the Company or any Subsidiary which may have been made or given by any Other Purchaser or by any agent or employee of any Other Purchaser, and neither the Purchaser nor any of its agents or employees shall have any liability to any Other Purchaser (or any other Person) relating to or arising from any such information, materials, statements or opinions. Nothing contained herein, and no action taken by the Purchaser pursuant hereto or thereto, shall be deemed to create a presumption that the Purchaser is in any way acting in concert or as a group with any Other Purchaser with respect to such obligations or the transactions contemplated by this Agreement. The Purchaser and the Other Purchasers shall be entitled to independently protect and enforce their rights, including the rights arising out of this Agreement, the Registration Rights Agreement and the Other Purchase Agreements, and it shall not be necessary for any other investor to be joined as an additional party in any proceeding for such purpose.

6.13 Termination.

(a) This Agreement may be terminated prior to the Closing:

(i) by mutual written agreement of the Company and the Purchaser;

(ii) by any party, upon written notice to the other party, in the event that the Closing does not occur on or before the Outside Date (as such Outside Date may be extended pursuant to Section 2.2 of this Agreement); provided that the parties acknowledge that all consents from any Governmental Authorities described in Section 5.l(d) must be received as soon as reasonably practicable in order for the Purchaser to be able to consummate the transactions contemplated by this Agreement on or before December 31, 2012; provided, further, that the right to terminate this Agreement pursuant to this Section 6.13(a)(ii) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date;

(iii) by the Purchaser, upon written notice to the Company, if (A) there has been a breach of any representation, warranty, covenant or agreement made by the Company in this Agreement, or any such representation and warranty shall have become untrue after the date of this Agreement, such that Section 5.l(a) or Section 5.l(b) would not be satisfied and (B) such breach or condition is not curable or, if curable, is not cured prior to the date that would otherwise be the Closing Date in absence of such breach or condition; provided that the right of the Purchaser to terminate this Agreement pursuant to this Section 6.13(a)(iii) shall not be available if the Purchaser is in material breach of any of the terms of this Agreement;

(iv) by the Company, upon written notice to the Purchaser, if (A) there has been a breach of any representation, warranty, covenant or agreement made by the Purchaser in this Agreement, or any such representation and warranty shall have become untrue after the date of this Agreement, such that Section 5.2(a) or Section 5.2(b) would not be satisfied and (B) such breach or condition is not curable or, if curable, is not cured prior to the date that would otherwise be the Closing Date in absence of such breach or condition; provided that the right of the Company to terminate this Agreement pursuant to this Section 6.13(a)(iv) shall not be available if the Company is in material breach of any of the terms of this Agreement;

(v) by any party, upon written notice to the other parties, in the event that any Governmental Authority shall have issued any order, decree or injunction or taken any other action restraining, enjoining or prohibiting any of the transactions contemplated by this Agreement, and such order, decree, injunction or other action shall have become final and nonappealable; or

(vi) by the Purchaser, upon written notice to the Company, if the Purchaser or any of its Affiliates receives written notice from or is otherwise advised by, the Federal Reserve that the Federal Reserve will not grant (or intends to rescind or revoke if previously granted) any of the written confirmations or determinations referred to in Section 5.l(k).

(C) Nothing in this Section 6.13 will be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement. Upon a termination of this Agreement

in accordance with this Section 6.13, this Agreement (other than Section 4.6 (except, in respect of any party, in connection with litigation against it by the other party or its Affiliates), Section 4.7 and ARTICLE VI (including, without limitation, this Section 6.13 and Section 6.14), which shall remain in full force and effect) shall forthwith become wholly void and of no further force and effect; provided, that nothing herein shall relieve any party from liability for willful breach of this Agreement.

6.14 Expenses. The Company shall pay the reasonable legal fees and expenses of Simpson Thacher & Bartlett LLP, counsel to the Purchaser, incurred by the Purchaser in connection with the transactions contemplated by this Agreement, and the Registration Rights Agreement, up to a maximum amount of $50,000 in the aggregate which amount shall be paid directly by the Company to Simpson Thacher & Bartlett LLP at the Closing or paid by the Company to Purchaser upon termination of this Agreement so long as such termination did not occur as a result of a material breach by the Purchaser of any of its obligations hereunder. The Company shall be responsible for all closing and administrative fees and expenses, the fees and expenses of any Company advisors (including Company counsel and other professional fees), and fees and expenses of any broker or finders for which the Company is responsible. Except (i) as set forth elsewhere in this Agreement or the Registration Rights Agreement and (ii) with respect to any amounts owed to the Placement Agent relating to or arising out of the transactions contemplated hereby which shall be paid by the Company, each party hereto will pay its own costs and expenses relating to this Agreement, the negotiations leading upon this Agreement and the transactions contemplated by this Agreement.

6.15 Replacement of Shares. If any certificate evidencing any Shares is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate, but only upon receipt of evidence reasonably satisfactory to the Company a:µd the Transfer Agent of such loss, theft or destruction and the execution by the holder thereof of a customary lost certificate affidavit of that fact and an agreement to indemnify and hold harmless the Company and the Transfer Agent for any losses in connection therewith or, if required by the Transfer Agent, a bond in such form and amount as is required by the Transfer Agent. The applicants for a new certificate under such circumstances shall also pay any reasonable third-party costs associated with the issuance of such replacement certificate. If a replacement certificate evidencing any Shares is requested due to a mutilation thereof, the Company may require delivery of such mutilated certificate as a condition precedent to any issuance of a replacement.

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[SIGNATURE PAGE FOR COMPANY FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

COMMUNITY TRUST FINANCIAL CORPORATION

By: /s/ Drake D. Mills
Drake D. Mills
Chairman, President and CEO

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[SIGNATURE PAGE FOR PURCHASER FOLLOWS]

[SIGNATURE PAGE TO SECURITIES PURCHASE AGREEMENT]

CASTLE CREEK CAPITAL PARTNERS IV, LP

By: /s/ John Pietrzak

Name: John Pietrzak

Title: Principal

[SIGNATURE PAGE TO SECURITIES PURCHASE AGREEMENT]

EXHIBITS

A: Stock Certificate Questionnaire

B: Form of Opinion of Company Counsel

C: Form of Secretary's Certificate

D: Form of Officer's Certificate

E: Form of Registration Rights Agreement

F. Form of VCOC Letter

EXHIBIT A

Stock Certificate Questionnaire

Pursuant to Section 2.2(b) of the Agreement, please provide us with the following information:

1. The exact name that the Shares are to be registered in (this is the name that will appear on the stock certificate(s)). You may use a nominee name if appropriate: _____

2. The relationship between the Purchaser of the Shares and the Registered Holder listed in response to Item 1 above: _____

3. The mailing address, telephone and telecopy number of the Registered Holder listed in response to Item 1 above: _____

_____

_____

Attention:

Telephone:

Fax:

4. The Tax Identification Number (or, if an individual, the Social Security Number) of the Registered Holder listed in response to Item 1 above: _____

EXHIBIT B

Form of Opinion of Counsel

_____, 2012

Ladies and Gentlemen:

We have acted as special counsel to Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** in connection with the issuance and sale by the Company of _____ shares (the **"Shares")** of common stock,· par value $5.00 per share **("Common Stock"),** to _____ (the **"Purchaser"),** pursuant to that certain Securities Purchase Agreement by and between the Company and the Purchaser dated as of _____, 2012 (the **"Agreement"),** This opinion is being given pursuant to Section 2.3(a)(iii) of the Agreement. Capitalized terms not defined herein shall have the meanings given to them in the Agreement.

A. Basis of Opinion.

As the basis for the conclusions expressed in this opinion, we have reviewed and relied upon the following:

1. The Agreement and the related schedules and exhibits thereto;

2. The Registration Rights Agreement by and between the Company, the Purchaser and the other parties named therein, dated as of _____, 2012 (the **"Registration Rights Agreement"),** and all related schedules and exhibits thereto;

3. The Other Purchase Agreements and the related schedules and exhibits thereto;

4. A copy, certified by the Louisiana Secretary of State on _____ 2012, of the Articles of Incorporation of the Company;

5. The Bylaws of the Company, as certified to us by the Company;

6. Certificates, dated as of the date hereof, containing representations to this firm as to certain factual matters and executed by certain senior officers of the Company; and

7. Certificates of [_____] , dated as of recent dates, issued by various state and federal agencies and departments.

B. Opinion.

Based upon our examination and consideration of the foregoing, subject to the comments, assumptions, limitations, qualifications and exceptions set forth in Section C below, we are of the opinion that:

1. The Company is duly registered as a financial holding company under the Bank Holding Company Act of 1956, as· amended, and has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Louisiana. The Company has the requisite corporate power and authority to carry on its business as presently conducted.

2. Community Trust Bank (the "Bank") is duly organized as a Louisiana banking corporation and is validly existing and in good standing under the laws of the State of Louisiana. The Bank has the requisite power and authority as a banking corporation to carry on its business as presently conducted.

3. The Company has the corporate power and authority to execute and deliver and to perform its obligations under the Agreement, the Other Purchase Agreements and the Registration Rights Agreement, including, without limitation, to issue the Shares pursuant to the Agreement and to issue the shares of Common Stock pursuant to the Other Purchase Agreements.

4. The Agreement, the Other Purchase Agreements and the Registration Rights Agreement have been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery by the Purchaser or the Other Purchasers, as applicable, each of the Agreement, the Other Purchase Agreements and the Registration Rights Agreement constitutes the valid and binding obligation of the Company, enforceable against the Company in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) insofar as indemnification and contributions provisions may be limited by applicable law.

5. The execution and delivery by the Company of the Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the performance by the Company of its obligations under the Agreement, the Other Purchase Agreements and the Registration Rights Agreement, including its issuance and sale of the Shares, do not and will not: (a) contravene or result in any violation of the Articles of Incorporation or Bylaws of the Company, (b) require any consent, approval, license or exemption by, order or authorization of, or filing, recording or registration by the Company with any federal or state governmental authority (except as expressly contemplated by the Registration Rights Agreement), (c) violate any court order, judgment or decree, if any, applicable to or binding upon the Company or the Bank, (d) result in a breach of, or constitute a default under, any material contract to which the Company or the Bank is a party or by which any of their respective assets may be bound, or (e) violate or conflict with, or result in any contravention of, any federal, Louisiana or Louisiana law, rule or regulation applicable to the Company or the Bank.

6. The Shares have been duly and validly authorized and, when issued, delivered and paid for as contemplated in the Agreement, will be duly and validly issued, fully paid and non-assessable, and free of any preemptive right or similar rights contained in the Company's Articles of Incorporation or Bylaws.

7. The offer, sale and issuance of the Shares to the Purchaser in the manner contemplated by the Agreement, do not require registration under the Securities Act or any state securities or blue sky laws and was made pursuant to an exemption from registration afforded by Section 4(2) of the Securities Act and Regulation D promulgated thereunder.

8. Neither the Company nor any of its Subsidiaries is an "investment company" under the Investment Company Act of 1940, as amended.

C. Comments, Assumptions, Limitations, Qualifications and Exceptions.

The opinions expressed herein are based upon, and subject to, the further comments, assumptions, limitations, qualifications and exceptions set forth below.

1. We have assumed that (a) all factual information contained in all documents reviewed by us is true and correct, (b) all signatures on all documents reviewed by us are genuine, (c) all documents submitted as copies are true and complete copies of the originals thereof, (d) the Purchaser has all power and authority to execute, deliver, and perform its obligations under the Agreement and the Registration Rights Agreement, (e) the Agreement and the Registration Rights Agreement have been duly and validly authorized, executed, and delivered by the Purchaser, (f) the Agreement and the Registration Rights Agreement are valid and binding obligations of the Purchaser, enforceable against the Purchaser in accordance with their respective terms, (g) the Purchaser has delivered the

full Purchase Price for the Shares to be acquired pursuant to the Agreement, (h) each natural person signing any document reviewed by this firm had the legal capacity to do so, and (i) each person signing in a representative capacity for the Purchaser any document reviewed by this firm had authority to sign in such capacity.

2. With respect to factual matters relevant to our opinions, this firm has reviewed and relied solely upon the representations of the Company and the Purchaser made in the Agreement and in certificates of officers of the Company referred to in Section A above, and we have not undertaken to verify independently any of such factual matters, provided that nothing has come to our attention that caused us to believe such representations and certificates contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

3. In rendering the opinions set forth in Paragraph B.1 with respect to the good standing of the Company, we have relied solely on certificates of state authorities of the Company's good standing that this firm received in response to this firm's requests for confirmation of such good standing in such jurisdictions. In rendering the opinion set forth in Paragraph B.1 with respect to the registration of the Company as a financial holding company under the Bank Holding Company Act of 1956, as amended, we have relied solely on correspondence from the Federal Reserve Bank of Dallas received in response to this firm's request for confirmation of such registration and election of treatment. By necessity, our opinions set forth in Paragraphs B.1 are given as of the date of such certificates or correspondence. Nothing has come to our attention that would cause us to believe that such opinions have ceased to be valid as of the date of this opinion letter.

4. In rendering the opinion set forth in Paragraph B.4.(d), we have relied exclusively on our review of the Company's and the Bank's "material contracts" within the meaning of Item 60l(b)(10) of Regulation S-K promulgated by the Securities and Exchange Commission, that have been identified and disclosed to us by the Company and the Bank.

5. We express no opinion as to the laws of any jurisdiction other than the State of Louisiana and the federal laws of the United States of America. We express no opinion under the laws of the State of Louisiana or the federal laws of the United States of America with respect to any environmental, securities (other than as set forth in Paragraph B.6), tax or antitrust laws. We also express no opinion with respect to compliance by the Company or any other person with the Employee Retirement Income Security Act of 1974, or any comparable state laws.

6. Except as expressly set forth herein, we have made no independent investigation as to the accuracy or completeness of any representation, warranty, or other factual information, written or oral, made or furnished in connection with the documents referred to in Section A hereof, and no matters have come to our attention that would warrant such an investigation.

7. We have assumed that the parties to the Agreement have acted and will act in good faith.

8. Although we have acted as counsel to the Company in connection with certain matters other than the transactions contemplated by the Agreement, the Other Purchaser Agreements and the Registration Rights Agreement, our engagement is limited to certain matters about which we have been consulted. Consequently, there may exist matters of a factual or legal nature involving the Company as to which we have not been consulted and have not represented the Company.

9. This opinion is rendered based upon our interpretation of existing law, to the extent specified in Paragraph C.4, and is not intended to speak with reference to standards hereafter adopted or evolved in subsequent judicial decisions by courts. The opinions expressed herein are as of the date hereof, and we assume no obligation to update or supplement such opinions to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

10. This opinion letter is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein.

11. This opinion letter is delivered solely for your benefit, and no other party or entity is entitled to rely hereon without the express prior written consent of this firm.

Very truly yours,

[_____]

EXHIBIT C

Form of Secretary's Certificate

The undersigned hereby certifies that he is the duly elected, qualified and acting Corporate Secretary of Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** and that as such he is authorized to execute and deliver this certificate in the name and on behalf of the Company and in connection with the Securities Purchase Agreement, dated as of 2012, by and between the Company and the Purchaser party thereto (the **"Securities Purchase Agreement"),** and further certifies in her official capacity, in the name and on behalf of the Company, the items set forth below. Capitalized terms used but not otherwise defined herein will have the meaning set forth in the Securities Purchase Agreement.

1. Attached hereto as Exhibit A is a true, correct and complete copy of the resolutions duly adopted by the Board of Directors of the Company relating to the proposed transaction. Such resolutions have not in any way been amended, modified, revoked or rescinded, have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect.

2. Attached hereto as Exhibit B is a true, correct and complete copy of the Articles of Incorporation of the Company, together with all amendments thereto currently in effect, and no action has been taken to further amend, modify or repeal such Articles of Incorporation, the same being in full force and effect in the attached form as of the date hereof.

3. Attached hereto as Exhibit C is a true, correct and complete copy of the Bylaws of the Company, together with all amendments thereto currently in effect, and no action has been taken to further amend, modify or repeal such Bylaws, the same being in full force and effect in the attached form as of the date hereof.

4. Each person listed below has been duly elected or appointed to the position(s) indicated opposite his name and is duly authorized to sign the Securities Purchase Agreement and the related Registration Rights Agreement on behalf of the Company, and the signature appearing opposite such person's name below is such person's genuine signature.

Name	Position	Signature
Drake D. Mills	Chairman, President and CEO	_____

IN WITNESS WHEREOF, the undersigned has hereunto set his hand as of this ____ day of _____, 2012.

_____

Secretary

I, Drake D. Mills, Chairman, President and CEO, hereby certify that _____ is the duly elected, qualified and acting Secretary of the Company and that the signature set forth above is his true signature.

Drake D. Mills
Chairman, President and CEO

EXHIBIT D

Form of Officer's Certificate

The undersigned, the Chairman, President and CEO of Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** pursuant to Section 2.3(a)(vi) of the Securities Purchase Agreement, dated as of , 2012, by and between the Company and the Purchaser thereto (the **"Securities Purchase Agreement"),** hereby represents, warrants and certifies as follows (capitalized terms used but not otherwise defined herein shall have the meaning set forth in the Securities Purchase Agreement):

1. The representations and warranties of the Company contained in the Securities Purchase Agreement are true and correct as of the date when made and as of the Closing Date, as though made on and as of such date; except for such representations and warranties that speak as of a specific date.

2. The Company has performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Securities Purchase Agreement to be performed, satisfied or complied with by it at or prior to the Closing.

3. No Material Adverse Effect has occurred since the date of the Securities Purchase Agreement.

IN WITNESS WHEREOF, the undersigned has executed this certificate this ___ day of _____, 2012.

Drake D. Mills
Chairman, President and CEO

EXHIBIT E

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "**Agreement**") is made as of this ___ day of _____, 2012, by and among Community Trust Financial Corporation, a Louisiana corporation (the "**Company**"), the investors identified on the signature pages hereto and such other persons or entities that may become parties to this Agreement (collectively, the "**Holders**" and each individually a "**Holder**").

RECITALS

WHEREAS, the Company and the Holders are parties to certain Securities Purchase Agreements, dated as of the date hereof (the "**Securities Purchase Agreements**"), whereby the Holders have agreed to purchase and the Company has agreed to issue shares of the Company's common stock, par value $5.00 per share ("**Common Stock**"); and

WHEREAS, the Company and the Holders desire to be granted and to grant the rights created herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

(a) All capitalized terms used and not otherwise defined herein shall have the meanings given them in the Securities Purchase Agreements.

(b) "**Agreement**" has the meaning set forth in the Preamble.

(c) "**Beneficial Ownership**" by a Person of any securities includes ownership by any Person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares (i) voting power which includes the power to vote, or to direct the voting of, such security; and/or (ii) investment power which includes the power to dispose, or to direct the disposition, of such security; and shall otherwise be interpreted in accordance with the term "beneficial ownership" as defined in Rule 13d-3 adopted by the Commission under the Exchange Act. The term "Beneficially Own" shall have a correlative meaning.

(d) **"Business Day"** means any day other than a Saturday or a Sunday or a day on which Louisiana state banks are authorized or required by Law or executive order to close.

(e) "**Capital Stock**" means, with respect to any Person at any time, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of capital stock, securities convertible into or exchangeable or exerciseable for any of its shares, interests, participations or other equivalents, partnership interests (whether general or limited), limited liability company interests, or equivalent ownership interests in or issued by such Person.

(f) "**Commission**" shall mean the United States Securities and Exchange Commission, or any other federal agency at the time administering the Securities Act.

(g) "**Common Stock**" has the meaning set forth in the Recitals.

(h) "**Cutback Notice**" has the meaning set forth in Section 2(c).

(i) "**Demanding Holders**" has the meaning set forth in Section 2(a).

(j) "**Demanding Notice**" has the meaning set forth in Section 2(a).

(k) "**Demand Registration**" has the meaning set forth in Section 2(a).

(l) "**Demand Suspension**" has the meaning set forth in Section 6(b).

(m) "**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended, or any similar federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

(n) "**FINRA**" has the meaning set forth in Section 5(l).

(o) "**Holder(s)**" has the meaning set forth in the Preamble.

(p) "**Holder Indemnitees**" has the meaning set forth in Section 7(a).

(q) "**Indemnified Party**" has the meaning set forth in Section 7(b).

(r) "**Indemnifying Party(ies)**" has the meaning set forth in Section 7(b).

(s) "**Initial Public Offering**" means the first underwritten public offering of Common Stock (or Other Securities) to the general public through a Registration Statement filed with the Commission.

(t) "**Inspectors**" has the meaning set forth in Section 5(p).

(u) "**JOBS Act**" means the Jumpstart Our Business Startups Act of 2012.

(v) "**Law**" means any federal, state, local or foreign statute, ordinance, law, rule, regulation, order, judgment, decree, agency requirement or legal requirement (including federal and state securities laws.

(w) "**Losses**" has the meaning set forth in Section 7(a).

(x) "**Other Securities**" means shares of Common Stock or shares of other Capital Stock of the Company which are contractually entitled to registration rights or Capital Stock which the Company is registering pursuant to a registration statement.

(y) "**Person**" shall mean an individual, a corporation, a partnership, a limited liability company, a joint venture, a trust, an estate, an unincorporated organization, a government and any agency or political subdivision thereof.

(z) "**Piggyback Registration**" has the meaning set forth in Section 3(a).

(aa) "**Prospectus**" means the prospectus included in any Registration Statement (including a prospectus that discloses information previously omitted from a prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities (and if applicable, Other Securities) covered by such Registration Statement, any free writing prospectus related thereto, and all other amendments and supplements to such prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such prospectus.

(bb) "**Records**" has the meaning set forth in Section 5(p).

(cc) "**Registrable Securities**" shall mean (i) the Shares (as defined in the Securities Purchase Agreements) of Common Stock issued pursuant to the Securities Purchase Agreements; (ii) any shares of Common Stock acquired by the Holders in addition to those referred to in clause (i) after the date of this Agreement and prior to the date of an Initial Public Offering and (iii) any Other Securities issued to the Holders in respect of such Shares of Common Stock referred to in clauses (i) and (ii) (or Other Securities into which or for which such shares of Common Stock are so changed, converted or exchanged) upon any reclassification, share combination, share subdivision, share dividend, share exchange, merger, consolidation or similar transaction or event, provided that such shares of Common Stock and Other Securities (if any) shall cease to be Registrable Securities after they have been sold or transferred

pursuant to an effective Registration Statement or pursuant to Rule 144 under the Securities Act or shall have ceased to be outstanding.

(dd) "**Registration Statement**" means any Registration Statement of the Company under the Securities Act which permits the public offering of any of the Registrable Securities (and, if applicable, Other Securities) pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all material incorporated by reference or deemed to be incorporated by reference in such Registration Statement.

(ee) "**Registration Expenses**" shall mean all expenses incurred in effecting the registrations provided for in this Agreement, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Company, underwriting expenses (other than fees, commissions or discounts), expenses of any Company audits incident to or required by any such registration and Company expenses of complying with the securities or blue sky laws of any jurisdictions, and fees and disbursements of all independent certified public accountants (including, without limitation, the expenses of any "cold comfort" letters required) and any other Persons, including special experts retained by the Company, and reasonable out-of-pocket expenses of the selling Holders, including without limitation, fees and disbursements of counsel for such Holders whose shares are included in a Registration Statement, which counsel shall be mutually selected by the Demanding Holders (in the case of a registration pursuant to Section 2) or by the Holders Beneficially Owning a majority of the Registrable Securities included on such Registration Statement.

(ff) "**Rule 144**" shall mean Rule 144 under the Securities Act or any successor rule thereto.

(gg) "**Securities Act**" shall mean the Securities Act of 1933, as amended, or any similar federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

(hh) "**Securities Purchase Agreement**" has the meaning the meaning set forth in the Recitals.

(ii) "**Shelf Registration Statement**" means a Registration Statement of the Company filed with the Commission for an offering to be made on a continuous or delayed basis pursuant to Rule 415 under the Securities Act covering Registrable Securities.

(jj) "**Shelf Take-Down Notice**" has the meaning set forth in Section 4(b).

(kk) "**Shelf Underwritten Offering**" has the meaning set forth in Section 4(b).

2. Demand Registrations.

(a) At any time (x) on or after December 31, 2015 one or more Holders Beneficially Owning Registrable Securities (A) representing at least fifteen percent (15%) of the then-outstanding shares of Registrable Securities or (B) that are reasonably expected to result in aggregate gross cash proceeds in excess of $50 million (without regard to any underwriting discount or commission), or (y) on or after the one hundred and eightieth (180^{th}) day following the occurrence of an Initial Public Offering, such Holders (the "**Demanding Holders**") shall have the right, by delivering written notice to the Company (a "**Demand Notice**"), to require the Company to, pursuant to the terms of this Agreement, register under and in accordance with the provisions of the Securities Act the number of Registrable Securities Beneficially Owned by such Holders and requested by such Demand Notice to be so registered (a "**Demand Registration**") provided; however, that it shall be a condition to making a Demand Registration under clause (y) above that the aggregate offering price of the Registrable Securities to be registered by the Demanding Holders is at least $25,000,000. A Demand Notice shall also specify the expected method or methods of disposition of the applicable Registrable Securities. Upon receipt of such Demand Notice, the Company will notify all other Holders (other than the Demanding Holders) in writing and such other Holders shall have the right to request the Company to include all or a portion of such other Holders' Registrable Securities in such Demand Registration by written notice delivered to the Company within fifteen (15) calendar days after such notice is given by the Company.

(b) Following receipt of a Demand Notice, subject to Section 2(c), Section 4 and, Section 6 and Section 16(h), the Company will use its reasonable best efforts to file, as promptly as reasonably practicable (but not later than ninety (90) calendar days after receipt by the Company of such Demand Notice in the case of a registration

made on Form S-1 or comparable successor form, as applicable, or sixty (60) calendar days in the case of any registration eligible to be made on Form S-3 or comparable successor form, as applicable), a Registration Statement relating to the offer and sale of the Registrable Securities requested to be included therein by the Holders thereof in accordance with the methods of distribution elected by such Demand Holders (to the extent not prohibited by applicable Law) and shall use its reasonable best efforts to cause such Registration Statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof (and in any event in accordance with Section 5), provided that if such Demand Notice relates to a Shelf Registration Statement, the provisions of Section 4 shall apply. The Holders shall have the right to request two (2) registrations per year pursuant to this Section 2. Demanding Holders holding at least a majority of the Registrable Securities held by the Demanding Holders shall have the right to notify the Company that they have determined that the Registration Statement and/or Shelf Registration Statement relating to a Demand Registration be abandoned or withdrawn, in which event the Company shall promptly abandon or withdraw such Registration Statement and/or Shelf Registration Statement. In the event any registration attempted under this Section 2 pursuant to which the Company would be responsible for the Registration Expenses of the Holders is not consummated, then the Company shall pay such expenses and shall remain responsible for such expenses of the Holders with respect to two (2) consummated registrations per year made under this Section 2; provided, however, that if a registration attempted under this Section 2 is not consummated solely as a result of the withdrawal of the Holders requesting such registration, unless such Holders reimburse the Registration Expenses incurred by the Company, such Registration Statement shall count against the two (2) Registration Statements that the Company is required to a consummate per year. In any Demand Registration involving an underwritten offering, the investment banker or investment bankers and manager or managers that will administer the offering will be selected by the Demanding Holders, subject to approval of the Company not to be unreasonably withheld.

(c) A Registration Statement filed pursuant to a Demand Notice may include Other Securities; provided, however, that the Company and any other such requesting holders agree in writing to enter into an underwriting agreement with usual and customary terms and to any lock-up or similar limitations applicable to the Holders. Notwithstanding any other provisions of this Section 2, if the representative of the underwriters advises the Holders and the Company in writing (a "**Cutback Notice**") that it is their good faith opinion that the total number or dollar amount of Registrable Securities proposed to be sold in such offering, together with any Other Securities proposed to be included by holders thereof which are entitled to include securities in such Registration Statement, exceeds the total number or dollar amount of such securities that can be sold without having an adverse effect on the price, timing or distribution of the Registrable Securities to be so included together with all such Other Securities, then there shall be included in such underwritten offering the number or dollar amount of Registrable Securities and such Other Securities that in the opinion of such managing underwriter(s) can be sold without so adversely affecting such offering, and such number of Registrable Securities and Other Securities shall be allocated for inclusion as follows: (i) first, to the Holder(s) requesting inclusion in such registration, pro rata among such Holder(s) on the basis of the number of shares of Registrable Securities for which each such Holder has requested registration, (ii) second, to the Company for any securities it proposes to sell for its own account, and (iii) third, to the other holders requesting inclusion in the registration, pro rata among the respective holders thereof on the basis of the number of shares for which each such requesting holder has requested registration. If a Person who has requested inclusion in such registration as provided above does not agree to the terms of any such underwriting, such Person shall be excluded therefrom by written notice from the Company, the underwriter or the Holder(s). The securities so excluded shall also be withdrawn from registration. A registration shall not be counted as "consummated" for purposes of the two (2) registrations per year requirement if, as a result of a Cutback Notice, fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

(d) Except as provided in Section 2(b) with respect to withdrawn Registration statements, all Registration Expenses of the Holders incurred in connection with two (2) registrations per year requested pursuant to this Section 2 shall be borne by the Company.

3. "Piggy-Back" Registrations.

(a) Except with respect to a Demand Registration, the procedures of which are addressed in Section 2, if, at any time, the Company intends to file a registration statement under the Securities Act covering a primary or secondary offering of any of its Common Stock or Other Securities, whether or not the sale for its own account which is not a registration solely to implement an employee benefit plan pursuant to a registration statement

on Form S-8, a registration statement on Form S-4 (or successor form) or a transaction to which Rule 145 or any other similar rule of the Commission is applicable, the Company will promptly (and in any event at least twenty (20) calendar days before the anticipated filing date) give written notice to the Holders of its intention to effect such a registration. Subject to Section 3(b) below and consultation with the underwriters, the Company will effect the registration under the Securities Act of all Registrable Securities that the Holder(s) request(s) be included in such registration (a "**Piggyback Registration**") by a written notice delivered to the Company within fifteen (15) calendar days after the notice given by the Company in the preceding sentence. The Holders agree that any securities they request to be included in a Company registration pursuant to this Section 3 shall be included by the Company on the same form of Registration Statement as has been selected by the Company for the securities the Company is registering for sale referred to above. The Holders shall be permitted to withdraw all or part of the Registrable Securities from the Piggyback Registration at any time at least two (2) Business Days prior to the effective date of the Registration Statement relating to such Piggyback Registration.

(b) If the registration involves an underwritten offering and the representative of the underwriters provides the Company and the other Holders seeking to include securities in such offering in writing a Cutback Notice, then the number of Registrable Securities and Other Securities sought to be included in such registration shall be allocated for inclusion as follows: (i) if such registration is being effected by the Company, (A) first, to the Company for any securities it proposes to sell for its own account, (B) second, to the Holder(s) requesting inclusion in such registration, pro rata among such Holder(s) on the basis of the number of shares of Registrable Securities for which each such Holder has requested registration, and (C) third, to the other holders requesting inclusion in the registration, pro rata among the respective holders thereof on the basis of the number of Other Securities for which each such requesting holder has requested registration; and (ii) if such registration is being effected by a Person other than the Company or the Holders, in accordance with Section 2(c) above.

(c) If the Company elects to terminate any registration filed under this Section 3 prior to the effectiveness of such registration, the Company will have no obligation to register the securities sought to be included by the Holders in such registration under this Section 3. All the Registration Expenses incurred in connection with any registration, qualification or compliance hereunder shall be borne by the Company. Without limiting the foregoing, the Company shall bear its internal expenses (including all salaries and expenses of their officers and employees performing legal, accounting or other duties) and expenses of any person, including special experts, retained by the Company. If the Company includes in such registration any securities to be offered by it, all Registration Expenses of the Holders will be borne by the Company. There shall be no limit to the number of Piggybank Registrations pursuant to this Section 3.

4. Shelf Take-Downs.

(a) The Company shall use reasonable best efforts to qualify for registration on a Shelf Registration Statement on Form S-3 as promptly as possible following the occurrence of the Initial Public Offering. Without limiting the foregoing, once the Company is eligible to effect a registration of its securities on a Shelf Registration Statement (including on Form S-1), any Holder will have the right to elect in the Demand Notice for any Demand Registration to be made on a Shelf Registration Statement, in which event the Company shall file with the Commission, as promptly as reasonably practicable, but not later than forty (45) calendar days after receipt by the Company of such Demand Notice (subject to Section 6), a Shelf Registration Statement relating to the offer and sale of the Registrable Securities requested to be included therein by the Holders thereof from time to time in accordance with the methods of distribution elected by such Holders (to the extent not prohibited by applicable Law) and shall use its reasonable best efforts to cause such Shelf Registration Statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof. Upon receipt of such Demand Notice, the Company will notify all other Holders (other than the Demanding Holders) in writing and such other Holders shall have the right to request the Company to include all or a portion of such other Holders' Registrable Securities in such Demand Registration by written notice delivered to the Company within fifteen (15) days after such notice is given by the Company.

(b) At any time that a Shelf Registration Statement covering Registrable Securities pursuant to Section 2 or Section 3 is effective, if a Holder delivers a notice to the Company (a "**Shelf Take-Down Notice**") stating that one or more of the Holders intends to effect an underwritten offering of all or part of the Registrable Securities included by the Holders on the Shelf Registration Statement (a "**Shelf Underwritten Offering**") and stating the number

of the Registrable Securities to be included in such Shelf Underwritten Offering, then the Company shall amend or supplement the Shelf Registration Statement as may be necessary in order to enable such Registrable Securities to be distributed pursuant to the Shelf Underwritten Offering (taking into account the inclusion of Other Securities by any other holders).

(c) The Company shall deliver the Shelf Take-Down Notice to all other Holders whose securities are included on such Shelf Registration Statement and permit each Holder to include its Registrable Securities included on the Shelf Registration Statement in the Shelf Underwritten Offering if such other Holder notifies the Company within five (5) Business Days after delivery of the Shelf Take-Down Notice to such other Holder.

(d) If a Shelf Underwritten Offering is being conducted and the representative of the underwriters provides the Company and the other holders seeking to include securities in such offering in writing a Cutback Notice, then the number of Registrable Securities and Other Securities sought to be included in such Shelf Underwritten Offering shall be allocated for inclusion in accordance with Section 2(c).

(e) All Registration Expenses incurred in connection with such registration requested pursuant to this Section 4 shall be borne by the Company.

5. Procedure for Registration. Whenever the Company is required under this Agreement to register Registrable Securities, it agrees to do the following:

(a) prepare and file with the Commission a Registration Statement or Registration Statements on such form which shall be available for the sale of the Registrable Securities by the Holders or the Company in accordance with the intended method or methods of distribution thereof and use its commercially reasonable efforts to keep such Registration Statement continuously effective for one hundred eighty (180) calendar days (and, with respect to Shelf Registration Statements, for up to two (2) years each, if requested by the Holders selling Registrable Securities to complete the proposed distribution; upon the occurrence of any event that would cause the Registration Statement or the Prospectus contained therein to contain a material misstatement or omission, the Company shall file promptly an appropriate amendment to such Registration Statement correcting any such misstatement or omission;

(b) cause the Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 under the Securities Act, and to comply fully with the applicable provisions of Rules 424 and 430A under the Securities Act in a timely manner; and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the sellers thereof set forth in such Registration Statement or supplement to the Prospectus;

(c) advise the underwriter(s), if any, and selling Holders promptly and, if requested by such Persons, to confirm such advice in writing, (i) when the Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to the Registration Statement or any post-effective amendment thereto, when the same has become effective, (ii) of any request by the Commission for amendments to the Registration Statement or amendments or supplements to the Prospectus or for additional information relating thereto, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement under the Securities Act or of the suspension by any state securities commission of the qualification of the Registrable Securities for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes, or (iv) of the existence of any fact or the happening of any event that makes any statement of a material fact made in the Registration Statement, the Prospectus, any amendment or supplement thereto, or any document incorporated by reference therein untrue, or that requires the making of any additions to or changes in the Registration Statement or the Prospectus in order to make the statements therein not misleading (provided that such notice shall not include specific information about any such fact or event if that information would constitute material non-public information about the Company). If at any time the Commission shall issue any stop order suspending the effectiveness of the Registration Statement or any state securities commission or other regulatory authority shall issue an order suspending the qualification or exemption from qualification of the Registrable Securities under state securities or blue sky laws, the Company shall use its reasonable best efforts to obtain the withdrawal or lifting of such order at the earliest possible time;

(d) before filing a Registration Statement or Prospectus or any amendments or supplements thereto (including documents that would be incorporated or deemed to be incorporated therein by reference), furnish to each of the selling Holders, their counsel and each of the underwriter(s), if any, at least five (5) Business Days before filing with the Commission, copies of the Registration Statement or any Prospectus included therein or any amendments or supplements to any such Registration Statement or Prospectus (including all documents incorporated by reference after the initial filing of such Registration Statement), which documents will be subject to the reasonable review and comment, and such other documents reasonably requested and the Company will consult with the selling Holders of Registrable Securities covered by such Registration Statement, their counsel and the underwriter(s), if any, prior to the filing of such Registration Statement or Prospectus and provide such Persons reasonable opportunity to participate in the preparation of such Registration Statement and each Prospectus included therein. The Company will not file any such Registration Statement or Prospectus or any amendments or supplements thereto (including such documents that, upon filing, would be incorporated or deemed to be incorporated by reference therein) with respect to a Demand Registration to which any Holder, its counsel, or the managing underwriter(s), if any, shall reasonably object, in writing, on a timely basis, unless, in the opinion of the Company, such filing is necessary to comply with applicable Law;

(e) if requested by any selling Holder or the underwriter(s), if any, incorporate in the Registration Statement or Prospectus, pursuant to a supplement or post-effective amendment if necessary, such information as such selling Holder and underwriter(s), if any, may reasonably request to have included therein, with respect to the number of Registrable Securities being sold by such Holder, the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering and make all required filings of such Prospectus supplement or post-effective amendment as soon as practicable after the Company is notified of the matters to be incorporated in such Prospectus supplement or post-effective amendment;

(f) (i) deliver promptly to the selling Holders copies of all correspondence between the Commission and the Company, its counsel or auditors including any comment and response letters with respect to the Registration Statement; provided that the Company shall not provide information to the selling Holders that the Company believes could constitute material non-public information, and (ii) if requested by selling Holders, keep such selling Holders informed with respect to the substance of any discussions with the Commission or its staff regarding the Registration Statement;

(g) furnish to each selling Holder and each of the underwriter(s), if any, without charge, at least one copy of the Registration Statement, as first filed with the Commission, and of each amendment thereto, including all documents incorporated by reference therein and all exhibits (including exhibits incorporated therein by reference);

(h) deliver to each selling Holder and each of the underwriter(s), if any, without charge, as many copies of the Prospectus (including each preliminary Prospectus) and any amendment or supplement thereto as such Persons reasonably may request; the Company hereby consents to the use of the Prospectus and any amendment or supplement thereto by each of the selling Holders and each of the underwriter(s), if any, in connection with the offering and the sale of the Registrable Securities covered by the Prospectus or any amendment or supplement thereto;

(i) prior to any public offering of Registrable Securities, the Company shall use its reasonable best efforts to register or qualify the Registrable Securities under the securities or blue sky laws of such jurisdictions as the selling Holders or underwriter(s), if any, may reasonably request and do any and all other acts or things reasonably necessary or advisable to enable the disposition in such jurisdictions of the Registrable Securities covered by the Registration Statement; provided, however, that the Company shall not be required to register or qualify as a foreign corporation where it is not now so qualified or to take any action that would subject it to the service of process in suits or to taxation, other than as to matters and transactions relating to the Registration Statement, in any jurisdiction where it is not now so subject;

(j) cooperate with the selling Holders and the underwriter(s), if any, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends; and enable such Registrable Securities to be in such denominations and registered in such names as the Holders or the underwriter(s), if any, may request prior to any sale of Registrable Securities made by such underwriter(s);

(k) if any fact or event contemplated by Section 5(c)(iv) above shall exist or have occurred, promptly prepare a supplement or post-effective amendment to the Registration Statement or related Prospectus or any

document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of Registrable Securities, the Prospectus will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading;

(l) cooperate and assist in any filings required to be made with the Financial Industry Regulatory Authority ("**FINRA**") and in the performance of any due diligence investigation by any underwriter (including any "qualified independent underwriter") that is required to be retained in accordance with the rules and regulations of the FINRA;

(m) otherwise use its reasonable efforts to comply with all applicable rules and regulations of the Commission, and make generally available to its security holders, as soon as practicable, a consolidated earnings statement meeting the requirements of the Securities Act and Rule 158 thereunder (which need not be audited) for the twelve-month period (i) commencing at the end of any fiscal quarter in which Registrable Securities are sold to underwriters in a firm or best efforts underwritten offering, or (ii) if not sold to underwriters in such an offering, beginning with the first month of the Company's first fiscal quarter commencing after the effective date of the Registration Statement;

(n) prior to the effective date of the Registration Statement relating to the Registrable Securities, provide a CUSIP number for the Registrable Securities;

(o) enter into such customary agreements (including an underwriting agreement in customary form) and take all such other actions reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith or by the managing underwriter(s), if any, in order to expedite or facilitate the disposition of such Registrable Securities, and in connection therewith, whether or not an underwriting agreement is entered into and whether or not the registration is an underwritten registration, (i) make such representations and warranties to the selling Holders and the managing underwriter(s), if any, with respect to the business of the Company and its subsidiaries, and the Registration Statement, Prospectus and documents, if any, incorporated or deemed to be incorporated by reference therein, in each case, in form, substance and scope as are customarily made by issuers in underwritten offerings, and, if true, confirm the same if and when requested, (ii) use its reasonable best efforts to furnish to the selling Holders of such Registrable Securities opinions of counsel to the Company and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the managing underwriter(s), if any, and counsels to the selling Holders of the Registrable Securities), addressed to each selling Holder of Registrable Securities and each of the managing underwriter(s), if any, covering the matters customarily covered in opinions requested in underwritten offerings as may be reasonably requested by such counsel and managing underwriter(s), (iii) use its reasonable best efforts to obtain "cold comfort" letters and updates thereof from the independent certified public accountants of the Company (and, if necessary, any other independent certified public accountants of any subsidiary of the Company or of any business acquired by the Company for which financial statements and financial data are, or are required to be, included in the Registration Statement) who have certified the financial statements included in such Registration Statement, addressed to each selling Holder of Registrable Securities (unless such accountants shall be prohibited from so addressing such letters by applicable standards of the accounting profession) and each of the managing underwriter(s), if any, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with underwritten offerings, (iv) if an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures substantially to the effect set forth in Section 7 hereof with respect to all parties to be indemnified pursuant to said Section 7 except as otherwise agreed by the Holders of a majority of the Registrable Securities being sold in connection therewith and the managing underwriter(s) and (v) deliver such documents and certificates as may be reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith, their counsel and the managing underwriter(s), if any, to evidence the continued validity of the representations and warranties made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company. The above shall be done at each closing under such underwriting or similar agreement, or as and to the extent required thereunder;

(p) make available for inspection by any Holder of Registrable Securities included in such Registration Statement, any underwriter participating in any disposition pursuant to such Registration Statement, and any attorney, accountant or other agent retained by any such seller or underwriter (collectively, the "**Inspectors**"), all

financial and other records, pertinent corporate documents and properties of the Company and its Subsidiaries (collectively, the "**Records**"), as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors and employees to supply all information reasonably requested by any such Inspector in connection with such Registration Statement; provided, however, that records that the Company determines, in good faith, to be confidential and which it notifies the Inspectors are confidential shall not be disclosed by the Inspectors unless (i) the disclosure of such Records is necessary to avoid or correct a misstatement or omission in the Registration Statement, or (ii) the release of such Records is ordered pursuant to a subpoena or other order from a court of competent jurisdiction; provided, further, that each Holder of Registrable Securities agrees that it will, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, give notice to the Company to the extent legally permitted and allow the Company, at its expense, to undertake appropriate action and to prevent disclosure of the Records deemed confidential;

(q) provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by such Registration Statement not later than the effective date of such Registration Statement;

(r) use its reasonable best efforts to cause all Registrable Securities covered by such Registration Statement to be listed on a national securities exchange or interdealer quotation system (or, if similar Company securities are already authorized to be listed on more than one national securities exchange or interdealer quotation system, on each such exchange or system on which similar securities issued by the Company are then listed); and

(s) in the case of an underwritten offering, cause its officers to use their reasonable best efforts to support the marketing of the Registrable Securities covered by the Registration Statement (including, without limitation, by participation in "road shows") taking into account the Company's business needs.

6. Lock-Up Agreement; Suspension of Sales.

(a) Subject to Section 6(b), the Company may postpone the filing or effectiveness of any Registration Statement required under Sections 2 or 4 for a reasonable period of time, not to exceed sixty (60) calendar days, if (i) the Company has been advised by legal counsel that such filing would require the disclosure of a material non-public fact, and (ii) the Company determines reasonably and in good faith that such disclosure would be materially harmful to the Company or would have a material adverse effect on a bona fide business or financing transaction of the Company.

(b) If (i) pursuant to the good faith judgment of the Company's Board of Directors, the Company concludes, as a result of its determinations under Section 6(a), that it is essential to defer the filing or effectiveness of such Registration Statement at such time, and (ii) the Company shall furnish to the Holders a certificate signed by the President of the Company (a "**Demand Suspension**"), certifying as to the Board of Directors' determinations under Section 6(a) and that it is, therefore, essential to defer the filing or effectiveness of such Registration Statement or amendment (which certificate shall approximate the anticipated delay), then the Company shall have the right to defer such filing or effectiveness for a period of not more than ninety (90) calendar days after receipt of the request of the Holders; provided, however, that the Company shall not defer its obligation in this manner more than once in any twelve (12)-month period. In the case of any Demand Suspension relating to the suspension of an effective Shelf Registration Statement, (i) the Company shall, within the ninety (90)-day period specified above, prepare a supplement or post-effective amendment to the Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, or file any other required document so that the selling Holders may resume use thereof in accordance with applicable Law and (ii) the selling Holders agree to suspend the use of the applicable Prospectus in connection with any sale or purchase, or offer to sell or purchase, Registrable Securities, upon receipt of any such certificate imposing a Demand Suspension until the earlier of the termination of the ninety (90)-day period specified above and the date on which the Company complies with clause (i) of this sentence.

(c) The Company agrees (i) not to effect or initiate a registration statement for any public sale or distribution of any securities similar to those being registered, or any securities convertible into or exchangeable or exercisable for such securities, during the fourteen (14) calendar days prior to, and during the ninety (90) calendar-day period beginning on, the effective date of any Registration Statement in which the Holders of Registrable Securities are participating (except as part of such registration), and (ii) that any agreement entered into on or after the date of this Agreement pursuant to which the Company issues or agrees to issue any privately placed securities shall contain

a provision under which Holders of such securities agree not to effect any public sale or distribution of any such securities during the periods described in clause (i) above, in each case including a sale pursuant to Rule 144 under the Act (except as part of any such registration, if permitted).

(d) Each Holder of Registrable Securities agrees that, upon receipt of notice from the Company of the occurrence of any event of the kind described in Section 5(c)(ii-iv), such Holder will forthwith discontinue disposition of such Registrable Securities following the effective date of a Registration Statement covering such Registrable Securities until such Holder's receipt of copies of the Prospectus supplement and/or post-effective amendment contemplated by Section 5(k), or until it is advised in writing by the Company that the use of the applicable Prospectus may be resumed and, in either case, has received copies of any additional or supplemental filings that are incorporate or deemed to be incorporated by reference in such Prospectus or Registration Statement.

7. Indemnification.

(a) The Company agrees to indemnify and hold harmless each Holder and its partners (limited and general), members, shareholders, directors, officers, employees and agents and each Person, if any, who controls any Holder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and the partners (limited and general), members, shareholders, directors, officers, employees and agents of each such controlling Person and each underwriter, if any, and each Person, if any, who controls such underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively, "**Holder Indemnitees**"), from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, costs of preparation and reasonable attorneys' fees and any legal or other fees or expenses incurred by such party in connection with any investigation, action, suit or proceeding) and expenses, judgments, fines, penalties, charges and amounts paid in settlement (collectively, "**Losses**"), as incurred, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or in any preliminary or final Prospectus contained therein, any document incorporated by reference therein or free writing Prospectus related thereto) or any other offering circular, amendment of or supplement to any of the foregoing or other document incident to any such registration, qualification, or compliance, or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or of the Exchange Act in connection with any such registration, qualification, or compliance, except insofar as such Losses arise out of or are based upon any untrue statement or omission or alleged untrue statement or omission which has been made therein or omitted therefrom in reliance upon and in conformity with the information relating to such Holder furnished in writing to the Company by such Holder expressly for use in connection therewith. The foregoing indemnity agreement shall be in addition to any liability which the Company may otherwise have.

(b) Each Holder, severally and not jointly, agrees to indemnify and hold harmless the Company, and its directors and officers, and any Person who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all Losses, as incurred, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or in any preliminary or final Prospectus contained therein, any document incorporated by reference therein or free writing Prospectus related thereto) or any other offering circular, amendment of or supplement to any of the foregoing or other document incident to any such registration, qualification, or compliance, or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or of the Exchange Act in connection with any such registration, qualification, or compliance, but only (i) in connection with a registration in which such Holder is participating by registering Registrable Securities and (ii) with respect to any untrue statement or omission or alleged untrue statement or omission which has been made therein or omitted therefrom in reliance upon and in conformity with the information relating to such Holder furnished in writing to the Company by such Holder expressly for use in connection therewith. In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) If any Person shall be entitled to indemnity hereunder (an "**Indemnified Party**"), such Indemnified Party shall promptly notify the party or parties from which such indemnity is sought (collectively the "**Indemnifying Parties**" and each an "**Indemnifying Party**") of any claim or of the commencement of any action, suit

or proceeding with respect to which such Indemnified Party seeks indemnification or contribution pursuant hereto and such Indemnifying Parties shall have the right, upon written notice to the Indemnified Party and upon agreeing in writing, subject to the limitations and other provisions set forth in this Agreement, that it shall indemnify the Indemnified Party with respect to such action, suit or proceeding, to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and payment of all fees and expenses; provided, however, that failure or delay to so notify an Indemnifying Party shall not relieve such Indemnifying Party from any liability unless and to the extent it is materially and adversely prejudiced as a result of such failure or delay (as finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review)). The Indemnified Party shall have the right to employ separate counsel in any such action, suit or proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party unless (i) the Indemnifying Parties have agreed in writing to pay such fees and expenses, (ii) the Indemnifying Parties have failed to assume promptly the defense and employ counsel, or (iii) the named parties to any such action, suit or proceeding (including any impleaded parties) include both the Indemnified Party and the Indemnifying Parties and the Indemnified Party shall have been advised in writing by its counsel that representation of such Indemnified Party and any Indemnifying Party by the same counsel would be inappropriate under applicable standards of professional conduct (whether or not such representation by the same counsel has been proposed) due to actual or potential differing interests between them (in which case the Indemnifying Party shall not have the right to assume the defense of such action, suit or proceeding on behalf of the Indemnified Party). It is understood, however, that the Indemnifying Parties shall, in connection with any one such action, suit or proceeding or separate but substantially similar or related actions, suits or proceedings in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate firm of attorneys (in addition to any local counsel) at any time for the Indemnified Parties not having actual or potential differing interests with the Indemnified Parties or among themselves, which firm shall be designated in writing by the Indemnified Parties, and that all such fees and expenses shall be reimbursed as they are incurred. The Indemnifying Parties shall not be liable for any settlement of any such action, suit or proceeding effected without their written consent (not to be unreasonably withheld or delayed), but if settled with such written consent, or if there be a final judgment for the plaintiff in any such action, suit or proceeding, the Indemnifying Parties agree to indemnify and hold harmless the Indemnified Party, to the extent provided herein, from and against any Losses by reason of such settlement or judgment; *provided* that in the event the Indemnifying Party has not (i) assumed the defense in such action, suit or proceeding, and (ii) agreed in writing that it shall indemnify the Indemnified Party with respect to such action, suit or proceeding, nothing set forth herein shall prohibit the Indemnified Party from effecting a settlement of such action, suit or proceeding and initiating a claim for indemnification hereunder against the Indemnifying Party following such settlement.

(d) If the indemnification provided for in this Section 7 is unavailable (except if inapplicable according to its terms) to an Indemnified Party under Section 7(a) or Section 7(b) hereof in respect of any Losses referred to therein, then an Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, in connection with the statements or omissions that resulted in such Losses, as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) The Company and the Holders agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by a *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 7(d) above. The amount paid or payable by an Indemnified Party as a result of the Losses referred to in Section 7(d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating any claim or defending any such action, suit or proceeding. Notwithstanding the provisions of this Section 7, no Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the net proceeds received by it in connection with the sale of the Registrable Securities subject to the action, suit or proceeding exceeds the amount of any damages which such Holder has otherwise been required to pay by reason of

such untrue or alleged untrue statement or omission or alleged omission. No person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(f) The indemnity and contribution agreements contained in this Section 7 and the representations and warranties of the Company set forth in this Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any of the Holders or any Person controlling the Holders, the Company, its directors or officers or any Person controlling the Company. A successor to any Holder Indemnitee, or to the Company, its directors or officers or any Person controlling the Company shall be entitled to the benefits of the indemnity, contribution and reimbursement agreements contained in this Section 7.

(g) No Indemnifying Party shall, without the prior written consent of the Indemnified Party, consent to entry of any judgment or effect any settlement of any pending or threatened action, suit or proceeding in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement (i) includes an unconditional release, in form and substance reasonably satisfactory to the Indemnified Party, of such Indemnified Party from all liability on claims that are the subject matter of such action, suit or proceeding, (ii) ascribes no fault on the part of such Indemnified Party and (iii) provides for solely monetary relief.

(h) Notwithstanding anything in this Agreement to the contrary, all parties to this Agreement hereby agree to abide by all applicable state and federal laws regarding indemnification payments to banking institutions, including, but not limited to, 12 C.F.R. Part 359.

8. Rule 144 Requirements. If the Company becomes subject to the reporting requirements of the Exchange Act, the Company will timely file with the Commission such reports and information required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Commission thereunder and as the Commission may require. The Company shall furnish to any Holder of Registrable Securities forthwith upon request a written statement as to its compliance with the reporting requirements of Rule 144 (or any successor exemptive rule), the Securities Act and the Exchange Act (at any time that it is subject to such reporting requirements); a copy of its most recent annual or quarterly report; and such other reports and documents as such Person may reasonably request in availing itself of any rule or regulation of the Commission allowing it to sell any such securities without registration.

9. Obligations of Holders and Others in a Registration. Each Holder agrees to timely furnish such information regarding such Person and the securities sought to be registered and to take such other action as the Company may reasonably request in connection with the registration, qualification or compliance. The Company may exclude from any Registration Statement any Holder that timely fails to comply with the provisions of the preceding sentence. If the registration involves an underwriter, each Holder agrees to enter into an underwriting agreement with such underwriters containing usual and customary terms and provisions. The Holders agree not to affect the sale of securities under any Registration Statement until they have received a Prospectus (including by accessing a Prospectus filed with the Commission), as needed, and notice of the effectiveness of the Registration Statement of which the Prospectus forms a part.

10. Rule 144A. The Company agrees that, upon the request of any Holder of Registrable Securities or any prospective purchaser of Registrable Securities designated by a Holder, the Company shall promptly provide (but in any case within fifteen (15) calendar days of a request) to such Holder or potential purchaser, the following information:

(a) a brief statement of the nature of the business of the Company and any subsidiaries and the products and services they offer;

(b) the most recent consolidated balance sheets and profit and losses and retained earnings statements, and similar financial statements of the Company for the two (2) most recent fiscal years (such financial information shall be audited, to the extent reasonably available); and

(c) such other information about the Company, any subsidiaries, and their business, financial condition and results of operations as the requesting Holder or purchaser of such Registrable Securities shall request in order to comply with Rule 144A, as amended, and in connection therewith the anti-fraud provisions of the federal and state securities laws.

The Company hereby represents and warrants to any such requesting Holder and any prospective purchaser of Registrable Securities from such Holder that the information provided by the Company pursuant to this Section 10 will, as of their dates, not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

11. Limitations on Subsequent Registration Rights. The Company will not, without the prior written consent of the Holder or Holders of at least a two-thirds of the then outstanding Registrable Securities, enter into any agreements with any holder or prospective holder of any securities of the Company which would grant such holder or prospective holder registration rights with respect to the securities of the Company which would have priority over the Registrable Securities with respect to the inclusion of such securities in any registration. If the Company enters into an agreement that contains terms more favorable, in form or substance, to any shareholders than the terms provided to the Holders under this Agreement, then the Company will modify or revise the terms of this Agreement in order to reflect any such more favorable terms for the benefit of the Holders Shareholders.

12. Consent to be Bound. Each subsequent Holder of Registrable Securities must consent in writing to be bound by the terms and conditions of this Agreement in order to acquire the rights granted pursuant to this Agreement.

13. Assignability of Registration Rights. Subject to Section 12 hereof, the registration rights set forth in this Agreement are assignable to each assignee as to each share of Registrable Securities conveyed in accordance herewith who agrees in writing to be bound by the terms and conditions of this Agreement.

14. Amendment, Termination and Waiver. Except as otherwise provided herein, no amendment, modification, termination or cancellation of this Agreement shall be effective unless made in a writing signed by the Company and the Holders of at least two-thirds of the then outstanding Registrable Securities.

15. Specific Performance. The Company and the Holders agree that the rights created by this Agreement are unique, and that the loss of any such right is not susceptible to monetary quantification. Consequently, the parties agree that an action for specific performance (including for temporary and/or permanent injunctive relief) of the obligations created by this Agreement is a proper remedy for the breach of the provisions of this Agreement, without the necessity of proving actual damages. If the parties hereto are forced to institute legal proceedings to enforce their rights in accordance with the provisions of this Agreement, the prevailing party shall be entitled to recover its reasonable expenses, including attorneys' fees, in connection with any such action.

16. Miscellaneous.

(a) Unless otherwise specified herein, all notices, requests, instructions and other communications required or permitted to be given under this Agreement after the date of this Agreement by any party hereto to any other party may be delivered personally or by nationally recognized overnight courier service or sent by mail or by facsimile transmission, at the respective addresses or transmission numbers set forth below and is deemed delivered (a) in the case of personal delivery or facsimile transmission or electronic mail, when received; (b) in the case of mail, upon the earlier of actual receipt or five (5) Business Days after deposit in the United States Postal Service, first class certified or registered mail, postage prepaid, return receipt requested; and (c) in the case of an overnight courier service, one (1) Business Day after delivery to such courier service with instructions for overnight delivery. The parties may change their respective addresses and transmission numbers by written notice to all other parties, sent as provided in this Section. All communications must be in writing and addressed as follows:

If to the Company, to:

Community Trust Financial Corporation
1511 N. Trenton Street
Ruston, Louisiana 71270

Attention: Drake D. Mills
Telephone:
Facsimile:

With a copy (which will not constitute notice), to:

Jones, Walker, Waechter, Poitevent, Carrère & Denègre L.L.P.
190 E. Capitol St.
Jackson, Mississippi
Attention: J. Andrew Gipson
Telephone: (601) 949-4789
Fax: (601) 949-4804

If to any Holder, to:

the address, facsimile number or electronic mail address set forth next to such Holder's name on the signature page hereto (which address, facsimile number or electronic mail address may be changed by the Holder by notice provided to the Company); provided that any notices or communications to any Holder shall be sent only to the Person or department, as applicable, at the Holder set forth on such Holder's signature page, and the Company shall not send notices or communications to any other Person on behalf of any Holder without the prior written consent of such Person or a member of such department, as applicable.

(b) THIS AGREEMENT IS TO BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF LOUISIANA, WITHOUT REGARD FOR THE PROVISIONS THEREOF REGARDING CHOICE OF LAW. The parties hereto irrevocably consent to the jurisdiction of the courts of the State of Louisiana and of any federal court located in such state in connection with any action or proceeding arising out of or relating to this Agreement. VENUE FOR ANY CAUSE OF ACTION ARISING FROM THIS AGREEMENT WILL LIE IN RUSTON, LOUISIANA.

(c) This Agreement and the Securities Purchase Agreement constitute the full and entire understanding and agreement between the parties regarding the matters set forth herein and therein. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon the successors, assigns, heirs, executors and administrators of the parties hereto. This Agreement is not assignable or transferable by the Company without the prior written consent of Holders of at least a two-thirds of the then outstanding Registrable Securities, and Company transfers without the applicable consent are void *ab initio*. In the event of any inconsistency between this Agreement and the Securities Purchase Agreement and any other agreement entered into by the Company and any Holder, this Agreement shall control.

(d) No failure or delay of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. No waiver of any party to this Agreement will be effective unless it is in a writing signed by a duly-authorized officer of the waiving party that makes express reference to the provision or provisions subject to such waiver.

(e) This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(f) Subject to Section 7 and Section 13 hereof, none of the provisions of this Agreement shall be for the benefit of, or enforceable by, any third party beneficiary.

(g) The headings in this Agreement are inserted only as a matter of convenience, and in no way define, limit, or extend or interpret the scope of this Agreement or of any particular section of this Agreement.

(h) If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall attach only to such provision and shall not in any manner affect or render

illegal, invalid or unenforceable any other provision of this Agreement, and this Agreement shall be carried out as if any such illegal, invalid or unenforceable provision were not contained herein.

(i) Nothing in this Agreement shall limit or prevent the Company from utilizing or electing to take advantage of any of the rights and privileges available to an "emerging growth company," as such term is defined in the JOBS Act, including, but not limited to, the confidential filing of a Registration Statement on Form S-1. In addition, for purposes of this Agreement, if the Company receives a Demand Notice, the confidential filing of a Registration Statement on Form S-1 with the SEC as permitted under the JOBS Act shall satisfy the requirements of Section 2(b) of this Agreement if such Registration Statement is filed with the SEC on a confidential basis in accordance with the requirements of that section.

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[SIGNATURE PAGE FOR COMPANY FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Registration Rights Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

COMMUNITY TRUST FINANCIAL CORPORATION

By: _____

Drake D. Mills
Chairman, President and CEO

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[SIGNATURE PAGE FOR HOLDERS FOLLOW]

HOLDER:

_____

By: _____

Name: _____

Title: _____

Address: _____

_____

_____

Attention: _____

Telephone: _____

Telecopy: _____

Email Address: _____

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

EXHIBIT F

Form of VCOC Letter

Community Trust Financial Corporation
1511 N. Trenton Street
Ruston, Louisiana 71270

November [•], 2012

Castle Creek Capital Partners IV, L.P.
6051 El Tordo
Rancho Santa Fe, CA 92091

Dear Sir/Madam:

Reference is made to the Securities Purchase Agreement by and between Community Trust Financial Corporation, a Louisiana corporation (the "Corporation"), and Castle Creek Capital Partners IV, L.P., a Delaware limited partnership (the ''VCOC investor"), dated as of October [•], 2012 (the "Securities Purchase Agreement"), pursuant to which the VCOC Investor agreed to purchase from the Corporation shares of its common stock, par value $5.00 per share (the "Stock"). Capitalized terms used herein without definition shall have the respective meanings in the Securities Purchase Agreement.

For good and valuable consideration acknowledged to have been received, the Corporation hereby agrees that for so long as the VCOC Investor, directly or through one or more affiliates, continues to hold any shares of Stock (or other securities of the Corporation into which such shares of Stock may be converted or for which such shares of Stock may be exchanged), without limitation or prejudice of any the rights provided to the VCOC Investor under the Securities Purchase Agreement or any other agreement or otherwise, the Corporation shall:

- Provide the VCOC Investor with the governance rights described in Section [4.15] of the Securities Purchase Agreement;

- Provide the VCOC Investor or its designated representative with:

  (i) the inspection rights described in Section [4.18] of the Securities Purchase Agreement;

  (ii) the rights to receive financial statements of the Corporation described in Section [4.12] of the Securities Purchase Agreement; and

  (iii) to the extent the Corporation or any of its subsidiaries is required by law or pursuant.to the terms of any outstanding indebtedness of the Corporation or any subsidiary to prepare such reports, any annual reports, quarterly reports and other periodic reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 or otherwise, actually prepared by the Corporation or subsidiary as soon as available;

  provided that, in each case, if the Corporation makes the information described in clauses (ii) and (iii) of this bullet point available through public filings on the EDGAR system or any successor or replacement system of the U.S. Securities and Exchange Commission, the delivery of the information shall be deemed satisfied by such public filings.

- If the VCOC Investor's regular outside counsel determines in writing that other rights of consultation are reasonably necessary under applicable legal authorities promulgated after the date of this agreement to preserve the qualification of VCOC Investor's investment in the Corporation as a "venture capital investment" for purposes of the United States Department of Labor Regulation published at 29 C.F.R. Section 2510.3-10l(d)(3)(i) (the "Plan Asset Regulation") the Corporation agrees to cooperate in good faith with the VCOC Investor to· amend to this letter agreement to reflect such other rights that are mutually satisfactory to the Corporation and the VCOC Investor and consistent with the Federal Reserve Policy Statement on Equity Investments in Banks and Bank Holding Companies; provided that such consultation rights shall be limited to once per calendar quarter.

The Corporation agrees to consider, in good faith, the recommendations of the VCOC Investor or its designated representative in connection with the matters on which it is consulted as described above, recognizing that the ultimate discretion with respect to all such matters shall be retained by the Corporation.

The VCOC Investor agrees, and will require each designated representative of the VCOC Investor to agree, to hold in confidence and not use or disclose to any third party (other than its legal counsel and accountants) any confidential information provided to or learned by such party in connection with the VCOC Investor's rights under this letter agreement except as may otherwise be required by law or legal, judicial or regulatory process, provided that the VCOC Investor takes reasonable steps to minimize the extent of any such required disclosure.

In the event the VCOC Investor transfers all or any portion of its investment in the Corporation to an affiliated entity (or to a direct or indirect wholly-owned conduit subsidiary of any such affiliated entity) that is intended to qualify as a venture capital operating company under the Plan Asset Regulation, such affiliated entity shall be afforded the same rights that the Corporation has afforded to the VCOC Investor hereunder and shall be treated, for such purposes, as a third party beneficiary hereunder.

This letter agreement and the rights and the duties of the parties hereto shall be governed by, and construed in accordance with, the laws of the State of New York and may be executed in counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

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COMMUNITY TRUST FINANCIAL
CORPORATION

By: _____
Name:
Title:

Agreed and acknowledged as of the date first above written:

CASTLE CREEK CAPTAL PARTNERS IV, L.P.

By: Castle Creek Capital IV LLC, its general partner

By: _____
Name:
Title:

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement **("Agreement")** is dated as of November 9, 2012, by and between Community Trust Financial Corporation, a Louisiana corporation **("Company")** and BANC FUND VII L.P., an Illinois limited partnership (a **"Purchaser").**

RECITALS

A. The authorized capital stock of the Company consists of (i) 50,000,000 shares of common stock, $5.00 par value per share **("Common Stock"),** of which 6,616,565 shares are issued and 6,612,196 shares outstanding, and (ii) 1,000,000 shares of preferred stock **("Preferred Stock"),** no par value per share, of which 48,260 are issued and outstanding.

B. The Company desires to issue and sell to the Purchaser, and the Purchaser desires to purchase from the Company, in a private offering of the Company's capital stock **("Private Placement")** that is exempt from registration under Section 4(2) of the Securities Act of 1933, as amended (the **"Securities Act"),** and Rule 506 of Regulation D **("Regulation D")** promulgated by the Securities and Exchange Commission **("Commission")** under the Securities Act, an aggregate of 40,540 shares of Common Stock at an aggregate purchase price equal to $1,499,980. The Private Placement shall include the sale of additional shares of Common Stock and shares of Nonvoting Preferred Stock to other accredited investors in the Private Placement (the **"Other Purchasers"),** with the closing of such sales to occur simultaneously with the Closing. The sales to the Other Purchasers will be made pursuant to separate securities purchase agreements with the Other Purchasers (the **"Other Purchase Agreements").**

C. The Company has engaged Stephens Inc. as its exclusive placement agent (the **"Placement Agent")** for the Private Placement.

D. Contemporaneously with the execution and delivery of this Agreement, the parties hereto are executing and delivering a Registration Rights Agreement, substantially in the form attached hereto as Exhibit E (the **"Registration Rights Agreement"** and, together with this Agreement and the Other Purchase Agreements, the **"Transaction Documents"),** pursuant to which, among other things, the Company will agree to provide certain registration rights with respect to the Shares under the Securities Act and the rules and regulations promulgated thereunder and applicable state securities laws.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and Purchaser hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms shall have the meanings indicated in this Section 1.1:

"Action" means any inquiry, notice of violation or Proceeding pending or, to the Company's Knowledge, threatened in writing against the Company, any Subsidiary or any of their respective properties or any officer, director or employee of the Company or any Subsidiary acting in his or her capacity as an officer, director or employee before or by any Governmental Authority.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, is controlled by or is under common control with such Person.

"Agency" has the meaning set forth in Section 3.1(gg).

"Agreement" has the meaning set forth in the Preamble.

"Approved Share Plan" means (i) any employee benefit plan which has been approved by the Board of Directors prior to or subsequent to the date hereof pursuant to which standard options to purchase Common Stock (and Common Stock issuable upon exercise thereof) or shares of restricted Common Stock may be issued to any employee, officer, consultants or director for services provided to the Company or any of its Subsidiaries in their capacity as such, or (ii) any current or future Company- or Bank- sponsored rabbi trust that has been created for the purpose of supporting the nonqualified benefit obligations of the Company and its Subsidiaries.

"Audited Financial Statements" has the meaning set forth in Section 3.l(i).

"Bank" means Community Trust Bank, a Louisiana state bank and wholly-owned Subsidiary of the Company.

"Bank Regulatory Authorities" has the meaning set forth in Section 3 .1 (b)(ii).

"BHC Act" has the meaning set forth in Section 3.1(b)(ii).

"BHC Act Control" has the meaning set forth in Section 3.1(rr).

"Board of Directors" means the Board of Directors of the Company.

"Burdensome Condition" has the meaning set forth in Section 5.l(g).

"**Business Day**" means any day other than a Saturday or a Sunday or a day on which Louisiana state banks are authorized or required by Law or executive order to close.

"**CIBC Act**" means the Change in Bank Control Act of 1978, as amended.

"**Closing**" means the closing of the purchase and sale of the Shares pursuant to this Agreement.

"**Closing Date**" means the date of the Closing.

"**Code**" means the Internal Revenue Code of 1986, as amended, including the regulations and published interpretations thereunder.

"**Commission**" has the meaning set forth in the Recitals.

"**Common Stock**" has the meaning set forth in the Recitals.

"**Company**" has the meaning set forth in the Preamble.

"**Company Counsel**" means Jones, Walker, Waechter, Poitevent, Carrére & Denégre L.L.P.

"**Company Deliverables**" has the meaning set forth in Section 2.3(a).

"**Company Reports**" has the meaning set forth in Section 3.l(h).

"**Company Securities**" means the Common Stock, preferred stock (including Nonvoting Preferred Stock), any other equity or equity-linked security issued by the Company and securities, options, warrants or other rights convertible into or exercisable or exchangeable (or entitling the holder thereof to subscribe for) for Common Stock or preferred stock or any other equity or equity-linked security issued by the Company.

"**Company's Knowledge**" means, with respect to any statement made to the knowledge of the Company, that the statement is based upon the actual knowledge, after reasonable inquiry, of any of the following executive officers of the Company: Chief Executive Officer, Chief Financial Officer, Chief Risk Officer or Chief Operating Officer.

"**Confidential Information**" means information about the Company and its Subsidiaries provided to the Purchaser by the Company, the Bank or their Representatives, including, without limitation, the information provided to the Purchaser pursuant to Section 4.6 hereof, except that "Confidential Information" does not include any

information that (i) was publicly available prior to the date of this Agreement or hereafter becomes publicly available without any violation of this Agreement by the Purchaser or any of its Representatives, (ii) was available to the Purchaser or its Representatives on a non-confidential basis prior to its disclosure to the Purchaser or its Representatives by the Company, the Bank or their Representatives or (iii) becomes available to the Purchaser or it Representatives from a Person other than the Company, the Bank or their Representatives who is not, to the Purchaser's or its Representative's knowledge, subject to any legally binding obligation to keep such information confidential.

"Constituent Documents" means, with respect to any entity, its articles or certificate of incorporation, bylaws, and any similar charter or other organizational documents of such entity.

"Control" (including the terms "controlling", "controlled by" or "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Environmental Laws" has the meaning set forth in Section 3.1(1).

"ERISA" has the meaning set forth in Section 3.1(ii).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Expedited Issuance" has the meaning set forth in Section 4.14(g).

"FDIC" has the meaning set forth in Section 3.l(b)(ii).

"Federal Reserve" has the meaning set forth in Section 3.1(b)(ii).

"Financial Statements" has the meaning set forth in Section 3.1(i).

"Fundamental Representations" means the Company's representations and warranties set forth in Sections 3.l(b)(i), 3.l(c), 3.l(f), 3.l(g), 3.l(i) and 3.l(nn).

"GAAP" means U.S. generally accepted accounting principles consistently applied over the period involved.

"Governmental Authority" means any federal, state, county, local or foreign court, arbitrator, governmental or administrative agency, bureau, commission, regulatory authority, stock market, stock exchange or trading facility.

"Indemnification Claim" has the meaning set forth in Section 4.7(b).

"Indemnified Person" has the meaning set forth in Section 4.7(a).

"Insurer" has the meaning set forth in Section 3.1(gg).

"**Intellectual Property**" has the meaning set forth in Section 3.l(r).

"**IPO**" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

"**Issuance Notice**" has the meaning set forth in Section 4.14(b).

"**Law**" has the meaning set forth in Section 3.1(d).

"**Legend Removal Date**" has the meaning set forth in Section 4.2(c).

"**Lien**" means any lien, mortgage, deed of trust, pledge, conditional sale agreement, restriction on transfer, charge, claim, encumbrance, security interest, right of first refusal, preemptive right or other restriction of any kind.

"**Loan Investor**" has the meaning set forth in Section 3.1(gg).

"**Losses**" has the meaning set forth in Section 4.7(a).

"**Material Adverse Effect**" means any event, circumstance, change or occurrence that has had, or would reasonably be expected to have, (i) an adverse effect on the legality, validity or enforceability of this Agreement, (ii) a material and adverse effect on the operations, results of operations, assets, liabilities, properties, business, condition (financial or otherwise) or prospects of the Company and the Subsidiaries, taken as a whole, or (iii) any adverse impairment to the Company's ability to perform in any material respect on a timely basis its obligations under this Agreement.

"**Material Contract**" means any contract of the Company that is material to the condition (financial or otherwise), results of operations, assets, liabilities, properties, business, prospects or operations of the Company.

"**Material Permits**" has the meaning set forth in Section 3.1(p).

"**Money Laundering Laws**" has the meaning set forth in Section 3.1(pp).

"**New Securities**" has the meaning set forth in Section 4.14(a).

"**OFAC**" has the meaning set forth in Section 3.1(aa).

"**OFI**" has the meaning set forth in Section 3.1(b)(ii).

"**Other Purchase Agreements**" has the meaning set forth in the Recitals.

"**Other Purchasers"** has the meaning set forth in the Recitals.

"**Outside Date**" has the meaning set forth in Section 2.2.

"**Person**" means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, Governmental Authority or any other form of entity or group (as defined in Section 13(d)(3) of the Exchange Act) not specifically listed herein.

"**Placement Agent**" has the meaning set forth in the Recitals.

"**Preferred Stock**" has the meaning set forth in the Recitals.

"**Private Placement**" has the meaning set forth in the Recitals.

"**Proceeding**" means a civil, criminal or administrative action, claim, litigation, suit, arbitration, hearing, investigation or other proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"**Purchase Price**" has the meaning set forth in Section 2.1.

"**Purchaser**" has the meaning set forth in the Preamble.

"**Purchaser Deliverables**" has the meaning set forth in Section 2.3(b).

"**Registration Rights Agreement**" has the meaning set forth in the Recitals.

"**Regulation D**" has the meaning set forth in the Recitals.

"**Regulatory Agreement**" has the meaning set forth in Section 3.1(dd).

"**Representatives**" of any Person means the Affiliates, officers, directors, employees, members, managers, partners, attorneys, accountants, financial advisors and other agents, advisors and representatives of such Person.

"**Required Filings**" has the meaning set forth in Section 3.1(e).

"**Rule 144**" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Shares**" means the Common Stock purchased by the Purchaser under this Agreement.

"**Statutory Representations**" means the Company's representations and warranties set forth in Sections 3.1(j), 3.1(l) and 3.1(ii).

"**Stock Certificates**" has the meaning set forth in Section 2.3(a)(i).

"**Subscription Amount**" has the meaning set forth in Section 2.1.

"**Subsidiary**" means any Person in which the Company, directly or indirectly, owns or Controls sufficient capital stock, equity or a similar interest such that it is consolidated with the Company in the financial statements of the Company.

"**Subsidiary Securities**" means any shares of capital stock or other equity securities of any Subsidiary of the Company, any options, warrants or other rights to acquire any shares of capital stock or other equity securities of any Subsidiary of the Company and any other securities convertible into or exercisable or exchangeable for (or entitling the holder thereof to subscribe for) any shares of capital stock or other equity securities of any Subsidiary of the Company.

"**Tax**" or "**Taxes**" means (i) any federal, state, local or foreign income, gross receipts, property, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or add on minimum, ad valorem, transfer or excise tax, or any other tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty, imposed by any Governmental Authority and (ii) any liability in respect of any items described in clause (i) above payable by reason of contract, assumption, transferee or successor liability, operation of law, Treasury Regulations Section l.1502-6(a) (or any predecessor or successor thereof or analogous or similar provisions of Law) or otherwise.

"**Tax Return**" means any return, declaration, report or similar statement required to be filed with respect to any Tax (including any attached schedules), including, without limitation, any information return, claim for refund, amended return or declaration of estimated Tax.

"**Third Party Claim**" has the meaning set forth in Section 4.7(b).

"**Transfer Agent"** means Wells Fargo Shareowner Services, St. Paul, Minnesota, in its capacity as transfer agent for the Company, or any successor transfer agent for the Company.

"**Transaction Documents**" has the meaning set forth in the Preamble.

"**Treasury**" means the U.S. Department of the Treasury.

"**Unaudited Financial Statements**" has the meaning set forth in Section 3.1(i).

ARTICLE II

PURCHASE AND SALE

2.1 Purchase and Sale of the Shares. On the terms and subject to the conditions set forth in this Agreement, at the Closing, the Company agrees to issue, sell, convey and transfer to the Purchaser, and the Purchaser agrees to purchase from the Company, for its own account, free and clear of all Liens, 40,540 shares of Common Stock. The purchase price for the Shares will be $37.00 per Share **("Purchase Price"),** and the aggregate Purchase Price for the Shares will be equal to $1,499,980 **("Subscription Amount").**

2.2 Closing. Unless this Agreement has been terminated in accordance with Section 6.13, the Closing of the purchase and sale of the Shares will take place, simultaneously with the closing of the sale of shares of Common Stock to the Other Purchasers pursuant to the Other Purchase Agreements, at a time and date as shall be agreed upon by the parties hereto, but in no event later than the third (3rd) Business Day following the date on which the conditions to the Closing set forth in this Agreement shall have been satisfied or waived (other than those conditions that by their nature are to be satisfied at the Closing, but subject to fulfillment of waiver of those conditions), remotely by facsimile or electronic transmission or by such other means and at such location as the parties may mutually agree. The Company and the Purchaser agree to use all reasonable best efforts to cause the Closing to take place on or prior to December 31, 2012 (the "Outside Date"). In the event the Closing does not take place on or prior to the Outside Date, this Agreement may be terminated with no further obligation or liability by either party hereto in accordance with Section 6.13(a)(ii); provided, however, that if the Closing does not take place on or prior to the Outside Date solely by reason of nonsatisfaction of the condition set forth in Section 5.l(i)(2), then any party may elect to extend the Outside Date until January 31, 2013 by providing written notice to the other party on or not more than three (3) Business Days prior to December 31, 2012 (and such extended date shall be the "Outside Date." Subject to the satisfaction or waiver of the conditions set forth in Sections 5.1 and 5.2, on the Closing Date, the Company will deliver to the Purchaser the Shares against payment by the Purchaser, by wire transfer of immediately available U.S. funds in accordance with the wire instructions delivered in writing to the Purchaser not later than two (2) Business Days prior to the Closing Date, equal to the Subscription Amount to a bank account designated by the Company.

2.3 Closing Deliveries.

(a) At or prior to the Closing, the Company will issue, deliver or cause to be delivered to the Purchaser the following **("Company Deliverables"):**

(i) this Agreement, duly executed by the Company;

(ii) stock certificate, free and clear of all restrictive and other legends (except as expressly provided in Section 4.2(b)), evidencing the Shares, registered in the name of each Purchaser in the number of Shares to be allocated to each Purchaser or as otherwise set forth on the Purchaser's Stock Certificate Questionnaire included as Exhibit A hereto **("Stock Certificates");**

(iii) a legal opinion of Company Counsel, dated as of the Closing Date, in substantially the form attached hereto as Exhibit B, executed by such counsel and addressed to the Purchaser, which opinion shall be identical in all material respects to any opinion that may be delivered to the Other Purchasers as part of the Private Placement;

(iv) the Registration Rights Agreement, duly executed by the Company;

(v) a certificate of the Secretary of the Company, in the form attached hereto as Exhibit C, dated as of the Closing Date, (a) certifying the resolutions adopted by the Board of Directors approving the transactions contemplated by the Transaction Documents, including the issuance of the Shares under this Agreement and the shares of Common Stock under the Other Purchase Agreements, (b) certifying the current versions of the Constituent Documents of the Company, and (c) certifying as to the signatures and authority of the individuals signing the Transaction Documents and related documents on behalf of the Company;

(vi) a certificate of the Chief Executive Officer of the Company, in substantially the form attached hereto as Exhibit D, dated as of the Closing Date, certifying to the fulfillment of the conditions specified in Sections 5.l(a), 5.l(b) and 5.l(j); and

(vii) a Certificate of Good Standing and a Certificate of Existence for the Company from the Louisiana Secretary of State dated as of a recent date.

(b) At or prior to the Closing, the Purchaser will deliver or cause to be delivered to the Company the following **("Purchaser Deliverables"):**

(i) this Agreement, duly executed by such Purchaser;

(ii) the Subscription Amount, in U.S. dollars and in immediately available funds, by wire transfer in accordance with the Company's written instructions;

(iii) the Registration Rights Agreement, duly executed by such Purchaser; and

(iv) a fully completed Stock Certificate Questionnaire in the form attached hereto as Exhibit A.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. The Company hereby represents and warrants as of the date hereof and as of the Closing Date (except for the representations and warranties that speak as of a specific date, which are made as of such date) to the Purchaser that:

(a) Subsidiaries. The Company has no direct or indirect Subsidiaries or equity interest in any other Person other than as set forth on Schedule 3.1(a). The Company owns, directly or indirectly, all of the capital stock or comparable equity interests of each Subsidiary free and clear of any and all Liens, and all the issued and outstanding shares of capital stock or comparable equity interests of each Subsidiary are validly issued and are fully paid, nonassessable (except to the extent that stock of an Louisiana state bank may be assessable under La R.S. 6:262) and free of preemptive and similar rights to subscribe for or purchase securities.

(b) Organization and Qualification; Bank Regulations.

(i) Each of the Company and its Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization (as applicable), with the requisite power and authority to own or lease and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any of its Subsidiaries is in violation of any of the provisions of their respective Constituent Documents. Each of the Company and its Subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, has not had and would not reasonably be expected to have a Material Adverse Effect.

(ii) The Company is duly registered as a bank holding company under the Bank Holding Company Act of 1956, as amended (the **"BHC Act").** The Company has also made an election to become and is a financial holding company pursuant to Section 4(k) and (1) of the BHC Act. The Bank holds the requisite authority from the Louisiana Office of Financial Institutions (the **"OFI")** to do business as an Louisiana state bank under the Laws of the State of Louisiana. The Company and its Subsidiaries are in compliance with all Laws administered by the Board of Governors of the Federal Reserve System (the **"Federal Reserve"),** the Federal Deposit Insurance Corporation (the **"FDIC"),** the OFI and any other

federal or state bank regulatory authorities (together with the OFI, the Federal Reserve and the FDIC, the **"Bank Regulatory Authorities")** with jurisdiction over the Company and its Subsidiaries, except for any noncompliance that, individually or in the aggregate, has not had and would not be reasonably expected to have a Material Adverse Effect. The deposit accounts of the Bank are insured up to applicable limits by the FDIC, and all premiums and assessments required to be paid in connection therewith have been paid when due; and no proceedings for the termination or revocation of deposit insurance are pending or, to the Company's Knowledge, threatened. The Bank has the full power and authority to own or lease all of the assets or properties owned or leased by it and to conduct its business in all material respects.

(c) Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and to consummate the transactions contemplated hereby and thereby, and otherwise to carry out its obligations hereunder and thereunder, including, without limitation, to issue the Shares in accordance with the terms hereof. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement, and the consummation by the Company of the transactions contemplated hereby and thereby (including, but not limited to, the sale and delivery of the Shares), have been duly authorized by all necessary corporate action on the part of the Company and its Board of Directors, and no further corporate action is required by the Company, its Board of Directors or its shareholders in connection therewith, other than in connection with the Required Filings. This Agreement and the Registration Rights Agreement have been duly and validly executed by the Company, and assuming the due authorization, execution and delivery of this Agreement and the Registration Rights Agreement by the Purchaser, will constitute the legal, valid and binding obligation of the Company enforceable against it in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, liquidation or similar Laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application; (ii) as limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies; and (iii) insofar as indemnification and contribution provisions may be limited by applicable Law. There are no shareholder agreements, voting agreements, voting trust agreements or similar agreements with respect to the Company's capital stock to which the Company is a party or, to the Company's Knowledge, between or among any of the Company's shareholders, and no such agreements are currently contemplated.

(d) No Conflicts. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Shares) do not and will not (i) conflict with or violate the Constituent Documents of the Company or any Subsidiary; (ii) result in the creation or imposition of any Lien on the Shares or any of the assets or properties of the Company or any Subsidiary; (iii) conflict with, violate or constitute a default (or an event which with notice or lapse of time or both would become a default) or result in the loss of a benefit under, or give to any other Person any right of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any Subsidiary is a party; or (iv) conflict with, violate or constitute a default (or an event which with notice or lapse of time or both would become a default) or result in the loss of a benefit under any federal, state, local or foreign statute, ordinance, law, rule, regulation, order, judgment, decree, agency requirement or legal requirement (including federal and state securities laws) (each, a **"Law")** applicable to the Company or any Subsidiary, except in the case of clauses (iii) and (iv) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(e) Filings, Consents and Approvals. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the transactions contemplated hereby and thereby will not require any action by, or in respect of, or filing with, any federal, state, local or other Governmental Authority, self-regulatory organization or other Person, other than (i) the filing of a Notice of Exempt Offering of Securities on Form D with the Commission under Regulation D of the Securities Act, and (ii) the requisite filings under state securities Laws to qualify the offering of Shares for exemptions from securities registration (collectively, the **"Required Filings");** and (iii) the filing of a registration statement and such other notices and filings as maybe required pursuant to the Registration Rights Agreement.

(f) Issuance of the Shares. The Shares have been duly authorized and, when issued and delivered in accordance with the terms of this Agreement, against payment of the Subscription Amount, will be duly

authorized by all necessary corporate action, duly and validly issued, fully paid, non-assessable, free and clear of all Liens (other than restrictions on transfer provided for in this Agreement or imposed by applicable securities Laws), and free of any preemptive or similar rights.

(g) Capitalization. As of the date hereof, the authorized capital stock of the Company consists of (i) 50,000,000 shares of Common Stock, of which 6,616,565 shares are issued and 6,612,196 shares outstanding as of the date hereof, and (ii) 1,000,000 shares of Preferred Stock, of which 48,260 are issued and outstanding as of the date hereof. Such shares of Preferred Stock have been designated as Senior Noncumulative Perpetual Preferred Stock, Series C, and were issued to the Treasury on July 6, 2011 in connection with the Company's participation in the Treasury's Small Business Lending Fund Program. Immediately following consummation of the Private Placement and the issuance of additional shares of Common Stock pursuant thereto, the Shares acquired by the Purchaser pursuant to this Agreement will represent not more than 9.99% of the issued and outstanding shares of Common Stock. All of the issued and outstanding shares of capital stock of the Company have been, and upon consummation of the Private Placement will be, duly authorized and validly issued and are, and upon consummation of the Private Placement will be, fully paid, non-assessable and free of Liens, with no personal liability attaching to the ownership thereof, have been, and upon consummation of the Private Placement will be, issued in compliance in all material respects with all applicable federal and state securities Laws, and none of such shares of capital stock has been, or upon consummation of the Private Placement will be, issued in violation of any preemptive rights or similar rights to subscribe for or purchase any capital stock of the Company. As of the date hereof, there are (i) 232,642 outstanding stock options (the **"Company Stock Options")** issued as nonqualified stock options pursuant to individual employment or other agreements with a weighted average exercise price equal to $24.19 per share and (ii) 700,000 shares of Common Stock remaining available for issuance under the Company's 2012 Stock Incentive Plan (the **"Company Plan").** Each Company Stock Option (i) was granted in compliance with all applicable Laws and all of the terms and conditions of the individual employment or other agreements, and, to the extent issued under the Company Plan, in compliance with the Company Plan, (ii) has an exercise price per share of Common Stock equal to or greater than the fair market value of a share of Common Stock on the date of such grant and (iii) has a grant date identical to or following the date on which the Board of Directors or compensation committee of the Board of Directors actually awarded such Company Stock Option. As of the date hereof, other than the shares of Common Stock reserved under the Company Plan, no shares of Common Stock or Preferred Stock are reserved for issuance. Neither the Company nor any of its officers, directors or employees is a party to any right of first refusal, tight of first offer, proxy, voting agreement, voting trust, registration rights agreement or shareholders agreement with respect to the sale or voting of any securities of the Company. Except as disclosed on Schedule 3.l(g), (i) none of the capital stock of the Company is subject to preemptive rights or any other similar rights; (ii) there are no outstanding options or other equity-based awards, warrants, scrip, rights to subscribe to, calls, agreements, arrangements or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, or evidencing the right to subscribe for, purchase or receive any shares of capital stock of the Company or any Subsidiary, (iii) there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of capital stock of the Company or any Subsidiary or options or other equity-based awards, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, or evidencing the right to subscribe for, purchase or receive any shares of capital stock of the Company or any Subsidiary; (iv) there are no material outstanding debt securities, notes, credit agreements, credit facilities or other agreements, arrangements, commitments, documents or instruments evidencing indebtedness of the Company or any Subsidiary or by which the Company or any Subsidiary is bound, other than credit agreements or facilities entered into by the Bank in the ordinary course of its business; (v) there are no agreements, commitments, understandings or arrangements under which the Company or any Subsidiary is obligated to register the sale of any of the securities of the Company or any Subsidiary under the Securities Act (except pursuant to the Registration Rights Agreement); (vi) there are no outstanding securities or instruments, agreements, commitments, understandings or arrangements of the Company or any Subsidiary that contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to sell, transfer, dispose, repurchase or redeem a security of the Company or any Subsidiary; (vii) there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Shares; (viii) the Company does not have any stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement; and (ix) neither the Company nor any Subsidiary has any liabilities or obligations not disclosed on the Company's Financial Statements or disclosed in the notes thereto, which, individually or in the aggregate, will have or would reasonably be expected to have a Material Adverse Effect.

(2) Immediately following the consummation of the Private Placement and assuming no exercises of Company Stock Options prior to Closing, (i) 8,504,088 shares of Common Stock and (ii) 453,666 shares of Preferred Stock (including 405,406 shares of Nonvoting Preferred Stock) will be outstanding as set forth on Schedule 3.l(g).

(h) Reports, Registrations and Statements. Since January 1, 2010, the Company and its Subsidiaries have filed all material reports, registrations and statements, together with any required amendments thereto, that they were required to file with the Bank Regulatory Authorities and any other applicable foreign, federal or state securities or banking authorities, including, without limitation, all financial statements and financial information required to be filed by it under the Federal Deposit Insurance Act and the BHC Act, and have paid all fees and assessments due and payable in connection therewith. All such reports, registrations and statements filed with any such regulatory body or authority are collectively referred to herein as the **"Company Reports."** All such Company Reports were filed on a timely basis or the Company or its Subsidiaries, as applicable, received a valid extension of such time of filing and has filed any such Company Reports prior to the expiration of any such extension. As of their respective dates, the Company Reports complied in all material respects with all the rules and regulations promulgated by the Bank Regulatory Authorities and any other applicable foreign, federal or state securities or banking authorities, as the case may be.

(i) Financial Statements. The audited consolidated balance sheets of the Company and its Subsidiaries as of December 31, 2010 and December 31, 2011 and the related audited consolidated statements of income, shareholders' equity and cash flows for the year then ended (the **"Audited Financial Statements")** and the unaudited consolidated balance sheets of the Company and its Subsidiaries as of June 30, 2012 and the related unaudited consolidated statements of income for the periods then ended (the **"Unaudited Financial Statements,"** and collectively with the Audited Financial Statements, the **"Financial Statements"),** have been delivered to Purchaser prior to the date hereof. The Financial Statements have been prepared from, and are in accordance with, the books and records of the Company and the Subsidiaries. The Financial Statements comply in all material respects with applicable accounting requirements and the rules and regulations of the applicable Government Authority with respect thereto as in effect at the time of filing. The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis during the periods involved, except as may be otherwise specified in such Financial Statements or the notes thereto and except that the Unaudited Financial Statements may not contain all footnotes required by GAAP. The Financial Statements fairly present in all material respects the results of operations and changes in shareholders' equity and the consolidated financial position of the Company and its Subsidiaries taken as a whole (in each case to the extent such items are presented in such Financial Statements) as of and for the dates thereof and for the periods then ended (as applicable), subject, in the case of the Unaudited Financial Statements, to normal, year-end audit adjustments, which would not be material, either individually or in the aggregate.

(j) Tax Matters. Each of the Company and its Subsidiaries (i) has prepared and timely filed all foreign, federal and state income and all other Tax Returns and all such Tax Returns were complete and correct in all material respects; (ii) has paid all Taxes and other governmental assessments and charges that are material in amount, whether or not shown or determined to be due on such Tax Returns, except those being contested in good faith, with respect to which adequate reserves have been set aside on the books of the Company in accordance with GAAP; (iii) has set aside on its books provisions reasonably adequate for the payment of all Taxes for periods subsequent to the periods to which such returns, reports or declarations apply, (iv) is not subject to any outstanding audit, assessment, dispute or claim concerning any material Tax liability of the Company or any of its Subsidiaries either within the Company's Knowledge or claimed, pending or raised by an authority in writing; (v) is not a party to, bound by or otherwise subject to any obligation under any Tax sharing or Tax indemnity agreement or similar contract or arrangement; (vi) has not participated in a "listed transaction" within the meaning of Treasury Regulation Section 1.6011- 4(b)(2); (vii) does not have any liability for Taxes of any Person arising from the application of Treasury Regulation Section 1.1502-6 or any analogous provision of state, local or foreign Law, or as a transferee or successor, by contract, or otherwise; (viii) has timely withheld, collected or deposited as the case may be all material Taxes (determined both individually and in the aggregate) required to be withheld, collected or deposited by it, and to the extent required, have been paid to the relevant taxing authority in accordance with applicable Law; and (ix) have complied with all applicable information reporting requirements in all material respects.

(k) Material Changes. Since December 31, 2011, except as disclosed on Schedule 3.1(k), (i) there have been no events, circumstances, changes, occurrences or developments that have had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect; (ii) the Company has not incurred

any material liabilities (contingent or otherwise) other than (A) trade payables, accrued expenses and other liabilities incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Financial Statements pursuant to GAAP; (iii) the Company has not altered materially its method of accounting or the manner in which it keeps its accounting books and records; (iv) the Company has not declared or made any dividend or distribution of cash or other property to its shareholders or purchased, redeemed or made any agreement, arrangement, commitment or understanding to purchase or redeem any shares of its capital stock; (v) the Company has not issued any equity securities to any officer, director or Affiliate; (vi) there has not been any material change or amendment to, or any waiver of any material right by the Company under, any Material Contract under which the Company or any of its Subsidiaries is bound or subject; (vii) to the Company's Knowledge, there has not been a material increase in the aggregate dollar amount of: (A) the Bank's nonperforming loans (including nonaccrual loans and loans ninety (90) days or more past due and still accruing interest) or (B) the reserves or allowances established on the Company's or Bank's financial statements with respect thereto; and (viii) there has not been any material damage, destruction, or other casualty loss with respect to any material asset or property owned, leased, or otherwise used by the Company or any Subsidiary, whether or not covered by insurance.

(l) Environmental Matters. Neither the Company nor any Subsidiary (i) is in violation of any Law relating to the use, disposal or release of hazardous or toxic substances or relating to the protection or restoration of the environment or human exposure to hazardous or toxic substances (collectively, **"Environmental Laws");** (ii) owns or operates any real property contaminated with any substance that is in violation of any Environmental Laws; (iii) is liable for any off-site disposal or contamination pursuant to any Environmental Laws; or (iv) is subject to any claim relating to any Environmental Laws; in each case, which violation, contamination, liability or claim has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; and, to the Company's Knowledge, there is no pending or threatened investigation that might lead to such a claim.

(m) Litigation. Except as disclosed on Schedule 3.l(m), there is no Action that (i) adversely affects or challenges the legality, validity or enforceability of this Agreement or the transactions contemplated hereby (including the issuance of the Shares hereunder) or (ii) has had or would reasonably be expected to have a Material Adverse Effect, individually or in the aggregate, if there was an unfavorable decision, and neither the Company nor any of its Subsidiaries has any material liabilities or obligations of any nature (absolute, accrued, contingent, or otherwise) which are not appropriately reflected or reserved against in the Financial Statements to the extent required to be so reflected or reserved against in accordance with GAAP, except for liabilities that have arisen since June 30, 2012, in the ordinary course of business consistent with past practice. Neither the Company nor any Subsidiary, nor any director or officer thereof, is or has been the subject of any Action involving a claim of violation of or liability under federal or state securities Laws or a claim of breach of fiduciary duty. There has not been, and to the Company's Knowledge there is not pending or contemplated, any investigation by any Governmental Authority involving the Company or any current or former director or officer of the Company. Except as disclosed on Schedule 3.1(m), there are no outstanding orders, judgments, injunctions, awards or decrees of any Governmental Authority against the Company or any executive officers or directors of the Company in their capacities as such which, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect.

(n) Employment Matters. Employees of the Company and its Subsidiaries are not and have never been represented by any labor union nor are any collective bargaining agreements otherwise in effect with respect to such employees. No labor organization or group of employees of the Company or any Subsidiary has made a pending demand for recognition or certification, and there are no representation or certification proceedings or petitions seeking a representation proceeding presently pending or, to the Company's Knowledge, threatened to be brought or filed with the National Labor Relations Board or any other labor relations tribunal or authority. There are no organizing activities, strikes, work stoppages, slowdowns, lockouts, arbitrations or grievances, or other labor disputes pending or, to the Company's Knowledge, threatened against or involving the Company or any Subsidiary. To the Company's Knowledge, no executive officer is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement or noncompetition agreement, or any other contract or agreement or any restrictive covenant in favor of a third party, and the continued employment of each such executive officer does not subject the Company or any Subsidiary to any material liability with respect to any of the foregoing matters. The Company and each Subsidiary is in compliance in all material respects with all U.S. federal, state, local and foreign Laws and regulations relating to employment and fair employment practices, immigration, terms and conditions of employment, compensation, benefits, employment discrimination and harassment, workers compensation, occupational safety and health, and wages and hours. Neither

the Company nor any Subsidiary is a party to or otherwise bound by any consent decree with or citation by any Governmental Authority relating to employees or employment practices. As of the date of this Agreement, no material employee has given notice to the Company or any of its Subsidiaries of his or her intent to terminate his or her employment or service relationship with the Company or any of its Subsidiaries.

(o) Compliance. The Company and its Subsidiaries are in material compliance with all Laws of any Governmental Authority applicable to their respective businesses or operations. Neither the Company nor any Subsidiary (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any Subsidiary under), nor has the Company or any Subsidiary received written notice of a claim that it is in default under or that it is in violation of, any Material Contract (whether or not such default or violation has been waived); (ii) is in violation of any order of any Governmental Authority having jurisdiction over the Company, any Subsidiary or their respective properties or assets; or (iii) is in violation of, or in receipt of written notice that it is in violation of, any Law of any Governmental Authority or self-regulatory organization applicable to the Company or any Subsidiary, except in each case as has not had or would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(p) Regulatory Permits. The Company and each of its Subsidiaries possess all certificates, authorizations, consents, licenses, franchises, variances, exemptions, orders, approvals and permits issued by the appropriate Governmental Authorities necessary to conduct their respective businesses as currently conducted, except where the failure to possess such permits, individually or in the aggregate, has not and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect **("Material Permits"),** and (i) neither the Company nor any Subsidiary has received any notice in writing of Actions relating to the revocation or material adverse modification of any such Material Permits and (ii) the Company is unaware of any facts or circumstances that would give rise to the suspension, revocation or material adverse modification of any Material Permits.

(q) Title to Assets. Each of the Company and its Subsidiaries has good and marketable title to all real property and tangible personal property owned by it that is material to the business of the Company and its Subsidiaries, taken as a whole, in each case free and clear of all Liens except such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company or such Subsidiary, as applicable. Any real property and facilities held under lease by the Company or any of its Subsidiaries is held by such party under a valid, subsisting and enforceable lease with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and facilities by the Company or such Subsidiary, as applicable. There is not, under any such lease, any existing default by the Company or any such Subsidiary or any event which, with notice or lapse of time or both, would constitute such default. None of the owned or leased premises or properties of the Company or any of its Subsidiaries is subject to any current or, to the Company's Knowledge, potential interests of third parties or other restrictions or limitations that would impair or be inconsistent in any material respect with the current use of such property by the Company or any of its Subsidiaries, as the case may be.

(r) Intellectual Property; Privacy. Except as disclosed on Schedule 3.l(r), each of the Company and its Subsidiaries owns, possesses, licenses or has other rights to use all foreign and domestic patents, patent applications, trade and service marks, trade and service mark registrations, brand names, trade names, copyrights, designs, inventions, trade secrets, technology, Internet domain names, know-how and other intellectual property (collectively, the **"Intellectual Property"),** free and clear of all Liens and third party rights, necessary for the conduct of their respective businesses as currently conducted, except where the failure to own, possess, license or have such rights has not had and would not have or reasonably be expected to have a Material Adverse Effect. Except where such violations, misappropriations, infringements or unauthorized use would not have or reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, (i) there are no rights of third parties to any such Intellectual Property; (ii) there is no infringement, misappropriation or unauthorized use by third parties of any such Intellectual Property; (iii) there is no pending or threatened Action by any Person challenging the Company's and/or any Subsidiary's rights in or to any such Intellectual Property; (iv) there is no pending or threatened Action by any Person challenging the validity or scope of any such Intellectual Property; and (v) there is no pending or threatened Action by any Person that the Company and/or any Subsidiary infringes, misappropriates or otherwise violates any Intellectual Property of any other Person. The Company and its Subsidiaries comply in all material respects with all Laws with respect to the protection of personal privacy, personally identifiable information, sensitive personal information and any special categories of personal information regulated thereunder.

(s) Insurance. Each of the Company and its Subsidiaries is insured, and during each of the past two calendar years has been insured, by insurers of recognized financial responsibility against such losses and risks and in such amounts as the Company believes to be prudent and customary In the businesses and locations in which the Company and its Subsidiaries are engaged. All premiums due and payable under all such policies and bonds have been timely paid, and the Company and its Subsidiaries are in material compliance with the terms of such policies and bonds. Neither the Company nor any of its Subsidiaries has received any notice of cancellation of any such insurance, nor, to the Company's Knowledge, will it or any Subsidiary be unable to renew their respective existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would be materially higher than their existing insurance coverage.

(t) Transactions With Affiliates and Employees. Except as set forth on Schedule 3.l(t), none of the officers, directors, employees or Affiliates of the Company or any of its Subsidiaries is presently a party to any contract, arrangement or transaction with the Company or any of its Subsidiaries or to a presently contemplated contract, arrangement or transaction (other than for services as employees, officers and directors) that would be required to be disclosed pursuant to Item 404 of Regulation S-K promulgated under the Securities Act if such item were applicable to the Company.

(u) Internal Accounting Controls. The Company maintains a system of internal accounting controls that is designed to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any difference. The records, systems, controls, data and information of the Company and its Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process whether computerized or not) that are under the exclusive ownership and direct control of the Company or its Subsidiaries or accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be expect to have, individually or in the aggregate, a Material Adverse Effect. The Company has not been advised of any material weaknesses in the design or operation of internal controls over financial reporting which could reasonably be expected to adversely affect the Company's ability to record, process, summarize and report financial data, or any fraud, whether or not material, that involves management. Since January 1, 2011, (i) no material weakness in internal controls has been identified by the Company's auditors or management; and (ii) there have been no significant changes in internal controls that could reasonably be expected to materially and adversely affect internal controls.

(v) No Integrated Offering; Private Placement. Assuming the accuracy of the Purchaser's representations and warranties set forth in Section 3.2 of this Agreement and assuming the accuracy of the representations and warranties of each other Person who purchased Common Stock during the past six (6) months, (i) none of the Company, any Subsidiary nor, to the Company's Knowledge, any of its Affiliates or any Person acting on its behalf has, directly or indirectly, at any time within the past six (6) months, made any offers or sales of any Company security. or solicited any offers to buy any security under circumstances that would cause such offers and sales to be integrated for purposes of Regulation D and any state securities or blue sky laws with the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements or that otherwise would cause the exemption from registration under Regulation D or and any state securities or blue sky laws to be unavailable in connection with the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements and (ii) no registration under the Securities Act or any state securities or blue sky laws is required for the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements.

(w) Investment Company. Neither the Company nor any of its Subsidiaries is, and immediately after receipt of payment for the Shares will be, an "investment company," an "affiliated person" of, "promoter" for or "principal underwriter" for, an entity "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

(x) Unlawful Payments. Neither the Company nor any of its Subsidiaries, nor any directors, officers, nor to the Company's Knowledge, employees, agents or other Persons acting at the direction of or on behalf of the Company or any Subsidiary has, in the course of its actions for, or on behalf of, the Company or any of its Subsidiaries: (i) directly or indirectly, used any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to foreign or domestic political activity; (ii) made any direct or indirect unlawful payments to any foreign or domestic governmental officials or employees or to any foreign or domestic political parties or campaigns from corporate funds; (iii) violated any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any other similar applicable foreign, federal, or state legal requirement; (iv) made any other unlawful bribe, rebate, payoff, influence payment, kickback or other material unlawful payment to any foreign or domestic government official or employee; or (v) has violated or operated in noncompliance with any export restrictions, money laundering law, anti-terrorism law or regulation, anti-boycott regulations or embargo regulations.

(y) Application of Takeover Protections; Rights Agreements. The Company has not adopted any stockholder rights plan or similar agreement, arrangement or understanding relating to accumulations of beneficial ownership of Common Stock or a change in control of the Company. The Company and its Board of Directors have taken all action necessary to render inapplicable any control share acquisition, business combination, fair price, moratorium, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under applicable Law, the Company's Constituent Documents, or any agreement, arrangement or understanding with any of the Company's shareholders or any other Person that is or could become applicable to the Purchaser as a direct consequence of the transactions contemplated by this Agreement, including, without limitation, the Company's issuance of the Shares to the Purchaser and the Purchaser's ownership of the Shares.

(z) Off Balance Sheet Arrangements. There is no agreement, commitment, transaction, arrangement, or other relationship between the Company (or any of its Subsidiaries) and any unconsolidated or other off balance sheet entity that would have or reasonably be expected to have a Material Adverse Effect.

(aa) OFAC. Neither the Company nor any Subsidiary nor any director, officer, agent, employee, Affiliate or Person acting on behalf of the Company or any Subsidiary is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the Treasury **("OFAC");** and the Company will not knowingly, directly or indirectly, use the proceeds of the sale of the Shares, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person or entity, towards any sales or operations in any country sanctioned by OF AC or for the purpose of financing the activities of any Person currently subject to any U.S. sanctions administered by OFAC.

(bb) No Additional Agreements. Except as set forth on Schedule 3.l(bb), the Company has no other agreements, arrangements or understandings (including, without limitation, the Other Purchase Agreement or any side letters) with any Person to issue shares of capital stock of the Company on terms more favorable to such Person than as set forth herein.

(cc) Well Capitalized. Immediately following consummation of the Private Placement, the Bank will be "well capitalized" under applicable Federal Reserve and FDIC regulations for prompt corrective action.

(dd) Agreements with Regulatory Agencies. Neither the Company nor any of its Subsidiaries is subject to any cease-and-desist or other similar order or enforcement action issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any capital directive by, or since January 1, 2008, has adopted any board resolutions at the request of, any Governmental Authority that currently restricts in any material respect the conduct of its business or that in any material manner relates to its capital adequacy, its liquidity and funding policies and practices, its ability to pay dividends, its credit, risk management or compliance policies, its internal controls, its management or its operations or business (each item in this sentence, a **"Regulatory Agreement"),** nor has the Company or any Subsidiary been advised since January 1, 2011 by any Governmental Authority that it is considering issuing, initiating, ordering, or requesting any such Regulatory Agreement. The Company and its Subsidiaries are in compliance in all material respects with each Regulatory Agreement to which it is party or subject, and neither the Company nor any of its Subsidiaries has received any notice from any Governmental Authority indicating that the Company or any of its Subsidiaries is not in compliance in all material respects with any such Regulatory Agreement.

(ee) Fiduciary Obligations. The Company and its Subsidiaries have, in all material respects, properly administered all accounts for which it acts as a fiduciary, including accounts for which it serves as a trustee, agent, custodian, personal representative, guardian, conservator or investment advisor, in accordance with the terms of the governing documents, applicable federal and state Law and regulation and common law. None of the Company, its Subsidiaries or any director, officer or employee of the Company or its Subsidiaries has, in any material respect, committed any breach of trust or fiduciary duty with respect to any such fiduciary account and the accountings for each such fiduciary account are true and correct in all material respects and accurately reflect the assets of such fiduciary account.

(ff) No General Solicitation or General Advertising. Neither the Company nor any Person acting on its behalf has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Regulation D of the Securities Act) in connection with any offer or sale of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements.

(gg) Mortgage Banking Business. Except for such matters that have not had and would not reasonably be expected to have a Material Adverse Effect:

(i) The Company and its Subsidiaries have complied with, and all documentation in connection with the origination, processing, underwriting and credit approval of any mortgage loan originated, purchased or serviced by the Company or its Subsidiaries satisfied, (A) all applicable federal, state and local Laws, rules and regulations with respect to the origination, insuring, purchase, sale, pooling, servicing, subservicing, or filing of claims in connection with mortgage loans, including all Laws relating to real estate settlement procedures, consumer credit protection, truth in lending Laws, usury limitations, fair housing, transfers of servicing, collection practices, equal credit opportunity and adjustable rate mortgages, (B) the responsibilities and obligations relating to mortgage loans set forth in any agreement between the Company or its Subsidiaries and any Agency, Loan Investor or Insurer, (C) the applicable rules, regulations, guidelines, handbooks and other requirements of any Agency, Loan Investor or Insurer, (D) the terms and provisions of any mortgage or other collateral documents and other loan documents with respect to each mortgage loan and (E) the underwriting guidelines and other loan policies and procedures of the Company or any applicable Subsidiary;

(ii) No Agency, Loan Investor or Insurer has (A) claimed in writing that the Company or any of its Subsidiaries has violated or has not complied with the applicable underwriting standards with respect to mortgage loans sold by the Company or any of its Subsidiaries to a Loan Investor or Agency, or with respect to any sale of mortgage servicing rights to a Loan Investor, (B) imposed in writing restrictions on the activities (including commitment authority) of the Company or any of its Subsidiaries or (C) indicated in writing to the Company or any of its Subsidiaries that it has terminated or intends to terminate its relationship with the Company or any of its Subsidiaries for poor performance, poor loan quality or concern with respect to the Company's or any of its Subsidiaries' compliance with Laws; and

(iii) To the Company's Knowledge, the characteristics of the loan portfolio of the Company have not materially changed from the characteristics of the loan portfolio of the Company as of June 30, 2012.

For purposes of this Section 3.l(gg): (A) **"Agency"** means the Federal Housing Administration, the Federal Home Loan Mortgage Corporation, the Farmers Home Administration (now known as Rural Housing and Community Development Services), the Federal National Mortgage Association, the United States Department of Veterans' Affairs, the Rural Housing Service of the U.S. Department of Agriculture or any other Governmental Authority with authority to (i) determine any investment, origination, lending or servicing requirements with regard to mortgage loans originated, purchased or serviced by the Company or any of its Subsidiaries or (ii) originate, purchase, or service mortgage loans, or otherwise promote mortgage lending, including state and local housing finance authorities; (B) **"Loan Investor"** means any Person (including an Agency) having a beneficial interest in any mortgage loan originated, purchased or serviced by the Company or any of its Subsidiaries or a security backed by or representing an interest in any such mortgage loan; and (C) **"Insurer"** means a Person who insures or guarantees for the benefit of the mortgagee all or any portion of the risk of loss upon borrower default on any of the mortgage loans originated, purchased or serviced by the Company or any of its Subsidiaries, including the Federal Housing Administration, the

United States Department of Veterans' Affairs, the Rural Housing Service of the U.S. Department of Agriculture and any private mortgage insurer, and providers of hazard, title or other insurance with respect to such mortgage loans or the related collateral.

(hh) Risk Management Instruments. Except as has not had or would not be reasonably be expected to have a Material Adverse Effect, since January 1, 2011, all material derivative instruments, including, swaps, caps, floors and option agreements, whether entered into for the Company's own account, or for the account of one or more of its Subsidiaries, were entered into (1) only for purposes of mitigating identified risk and in the ordinary course of business, (2) in accordance with prudent practices and in all material respects with all applicable Laws, rules, regulations and regulatory policies and (3) with counterparties believed to be financially responsible at the time; and each of them constitutes the valid and legally binding obligation of the Company or its Subsidiary, enforceable in accordance with its terms. Neither the Company nor its Subsidiaries, nor, to the Company's Knowledge, any other party thereto, is in breach of any of its material obligations under any such agreement or arrangement. The Company aild its Subsidiaries have in place risk management policies and procedures sufficient in scope and operation designed to protect against risks or the type and in amounts reasonably expected to be incurred by persons of similar size and in similar lines of business as the Company and its Subsidiaries.

(ii) ERISA. The Company and its Subsidiaries are in compliance in all material respects with all presently applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder (herein called **"ERISA").** No "reportable event" (as defined in ERISA) has occurred with respect to any "pension plan" (as defined in ERISA) for which the Company, any Subsidiary, or any employer that would be considered a single employer with the Company under Sections 414(b), (c), (m) or (o) of the Code, would have any liability. None of the Company, any Subsidiary or any employer that would be considered a single employer with the Company under Sections 414(b), (c), (m) or (o) of the Code maintains, contributes or has any liability, whether contingent or otherwise, with respect to, and has not within the preceding six (6) years maintained, contributed or had any liability, whether contingent or otherwise, with respect to any "employee benefit plan," within the meaning of Section 3(3) of ERISA, that is, or has been, (i) subject to Title IV of ERISA or Section 412 of the Code, (ii) maintained by more than one employer within the meaning of Section 413(c) of the Code, (iii) subject to Sections 4063 or 4064 of ERISA, or (iv) a "multiemployer plan," within the meaning of Section 4001(a)(3) of ERISA. Each "pension plan" for which the Company or any Subsidiary would have liability that is intended to be qualified under Section 401(a) of the Code is so qualified in all material respects and nothing has occurred, whether by action or by failure to act, that would cause the loss of such qualification. Neither the Company nor any Subsidiary has any obligation to provide or make available any post-employment benefit under any "welfare plan" (as defined in Section 3(1) of ERISA) for any current or former employee or other service provider, except as may be required under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, or any similar state Law.

(jj) Shell Company Status. The Company is not, and has never been, an issuer identified in Rule 144(i)(l).

(kk) Nonperforming and Classified Assets. Except as set forth on Schedule 3.l(kk), to the Company's Knowledge, as of the date hereof, the Company believes that its Subsidiaries will be able to fully and timely collect substantially all interest, principal or other payments when due under their respective loans, leases and other assets that are not classified as nonperforming and such belief is reasonable under all the facts and circumstances known to the Company and its Subsidiaries, and the Company believes that the amount of reserves and allowances for loan and lease losses and other nonperforming assets established on the Financial Statements is adequate and such belief is reasonable under all the facts and circumstances known to the Company and its Subsidiaries.

(ll) Change in Control. The issuance of the Shares to the Purchaser pursuant to this Agreement and the issuance of shares of Common Stock to the Other Purchasers pursuant to the Other Purchase Agreements will not trigger any rights under any "change of control" provision in any of the agreements to which the Company or any of its Subsidiaries is a party, including any employment, "change in control," severance or other compensatory agreements and any benefit plan, which results in payments to the counterparty or the acceleration of vesting of benefits.

(mm) Material Contracts. Each Material Contract is valid and binding on the Company or its Subsidiaries, as the case may be, and in full force and effect (other than due to the ordinary expiration of the term thereof), and, to the Company's Knowledge, is valid and binding on the other parties thereto. The Company and each of its Subsidiaries (and, to the Company's Knowledge, each· other party thereto) has in all material respects performed all obligations required to be performed by it to date under each Material Contract. To the Company's Knowledge, no other party to the Material Contracts is in breach, violation or default of any such Material Contract, and no event has occurred which with notice or lapse of time or both would constitute a breach, violation or default by any such other party to any such Material Contract. No power of attorney or similar authorization given directly or indirectly by the Company or any of its Subsidiaries is currently outstanding.

(nn) Brokers and Finders. Except as set forth on Schedule (nn), other than the Placement Agent with respect to the Company (which fees are to be paid by the Company and are also set forth on Schedule 3.l(nn)), no Person will have, as a result of the transactions contemplated by this Agreement and the Other Purchase· Agreements, any valid right, interest or claim against or upon the Company, its Subsidiaries or the Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Company or any of its Subsidiaries and no broker or finder has acted directly or indirectly for the Company or any Company Subsidiary in connection with the Transaction Documents or the transactions contemplated hereby or thereby.

(oo) Disclosure. All of the disclosure furnished by or on behalf of the Company to the Purchaser regarding the Company and its Subsidiaries, their respective businesses and the transactions contemplated hereby, is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(pp) Money Laundering Laws. The operations of the Company and each of its Subsidiaries are and have been conducted at all times in material compliance with the money laundering statutes of applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any applicable governmental agency (collectively, the "Money Laundering Laws") and to the Company's Knowledge, no action, suit or proceeding by or before any Governmental Authority involving the Company and/or any Subsidiary with respect to the Money Laundering Laws is pending or threatened.

(qq) Compliance with Certain Banking Regulations. To the Company's Knowledge, there are no existing facts and circumstances, and management has no reason to believe that any facts or circumstances exist, that would cause the Bank: (i) to be deemed not to be in satisfactory compliance with the Community Reinvestment Act of 1977 (the "CRA") and the regulations promulgated thereunder or to be assigned a CRA rating by federal or state banking regulators of lower than "satisfactory"; (ii) to be deemed to be operating in violation, in any material respect, of the Currency and Foreign Transactions Reporting Act of 1970, as amended, or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001; or (iii) to be deemed not to be in satisfactory compliance, in any material respect, with all applicable privacy of customer information requirements contained in any federal and state privacy laws and regulations as well as the provisions of all information security programs adopted by the Bank.

(rr) Common Control. The Company is not and, after giving effect to the offering and sale of the Shares pursuant to this Agreement and the shares of Common Stock pursuant to the Other Purchase Agreements, will not be under the control (as defined in the BHC Act and the Federal Reserve's Regulation Y (12 C.F.R. Part 225) **("BHC Act Control")** of any company (as defined in the BHC Act and the Federal Reserve's Regulation Y). The Company is not in BHC Act Control of any "insured depository institution," as defined under Section 3(c)(2) of the Federal Deposit Insurance Act of 1950, as amended, other than the Bank. The Bank is not under the BHC Act Control of any company (as defined in the BHC Act and the Federal Reserve's Regulation Y) other than Company. Neither the Company nor the Bank controls, in the aggregate, more than five percent (5%) of the outstanding voting class, directly or indirectly, of any federally insured depository institution, other than the Company's ownership interest in the Bank.

(ss) Securities Purchase Agreement. This Agreement is substantially identical in all material respects to the Other Purchase Agreements entered into between the Company and the Other Purchasers purchasing shares of Common Stock except as to: (i) the type and number of shares of Common Stock and Nonvoting Preferred

Stock to be purchased and the aggregate purchase price for such shares (but not the purchase price per share) set forth in Section 2.1 (together with such necessary conforming changes); (ii) reimbursement of certain fees and expenses incurred by Other Purchasers which are capped at a maximum aggregate of $125,000; (iii) Other Purchasers may qualify as a "venture capital operating company" ("VCOC") as defined in the U.S. Department of Labor Regulations codified at 29 C.F.R. Section 2510.3-101, and the Other Purchase Agreements accordingly include the execution and delivery of a VCOC Letter as well as certain VCOC Investor inspection rights; (iv) Other Purchase Agreements contain provisions relating to rights to a Board seat on both the Company's and the Bank's Board of Directors, and/or certain observer rights; (v) Other Purchase Agreements contain additional rights based on maintenance of a defined Qualifying Ownership Interest in the Company's securities; and (v) Other Purchase Agreements may differ with respect to the verbiage and percentage amounts set forth under Section 4.15, Avoidance of Control.

(tt) Directors' and Officers' Insurance. (i) The Company maintains directors' and officers' liability insurance and fiduciary liability insurance with, to the Company's Knowledge, financially sound and reputable insurance companies with benefits and levels of coverage that the Company believes to be prudent and customary in the businesses and locations in which the Company and its Subsidiaries are engaged. (ii) the Company has timely paid all premiums on such policies and (iii) there has been no lapse in directors' and officers' liability insurance and fiduciary liability insurance coverage during the term of such policies.

3.2 Representations and Warranties of the Purchaser. The Purchaser represents and warrants to the Company as of the date hereof and as of the Closing Date as follows:

(a) Organization; Authority. The Purchaser is a limited partnership validly existing and in good standing under the Laws of the jurisdiction of its organization with the requisite power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder. The execution and delivery of this Agreement by the Purchaser, and. the performance by the Purchaser of the transactions contemplated by this Agreement, have been duly authorized by all necessary action on the part of the Purchaser. This Agreement has been duly executed by the Purchaser, and assuming the due authorization, execution and delivery of this Agreement by the Company, will constitute the legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, liquidation or similar Laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application; (ii) as limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies; and (iii) insofar as indemnification and contribution provisions may be limited by applicable Law.

(b) No Conflicts. The execution, delivery and performance by the Purchaser of this Agreement and the consummation by the Purchaser of the transactions contemplated hereby will not (i) result in a violation of the Constituent Documents of the Purchaser; (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to any other Person any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Purchaser is a party; or (iii) result in a violation of any Law, rule, regulation, order, judgment or decree (including federal and state securities Laws) applicable to the Purchaser, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of the Purchaser to consummate the transactions contemplated by this Agreement.

(c) Investment Intent. The Purchaser understands that the Shares are "restricted securities" and have not been registered under the Securities Act or any applicable state securities Laws, and the Purchaser is acquiring the Shares as principal for its own account and not with a view to, or for distributing or reselling such Shares or any part thereof in violation of, the Securities Act or any applicable state securities Laws, provided, however, that by making the representations herein, the Purchaser does not agree to hold any of the Shares for any minimum period of time and reserves the right at all times to sell or otherwise dispose of all or any part of such Shares pursuant to an effective registration statement under the Securities Act or under an exemption from such registration and in compliance with applicable federal and state securities Laws. Except with respect to the Registration Rights Agreement, the Purchaser does not presently have any agreement, plan or understanding, directly or indirectly, with any Person to distribute or effect any distribution of any of the Shares to or through any Person.

(d) Purchaser Status. The Purchaser is an "accredited investor" as defined in Rule 50l(a) under the Securities Act.

(e) General Solicitation. The Purchaser is not purchasing the Shares as a result of any advertisement, article, notice or other communication regarding the Shares published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general advertisement.

(f) Investment Risk. The Purchaser understands that its investment in the Shares involves a significant degree of risk and that no representation is being made as to the future value or trading volume of the Shares.

(g) Experience of the Purchaser. The Purchaser, either alone or together with its Representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Shares, and has so evaluated the merits and risks of such investment. The Purchaser is able to bear the economic risk of an investment in the Shares and, at the present time, is able to afford a complete loss of such investment.

(h) Access to Information. The Purchaser acknowledges that it has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, Representatives of the Company concerning the terms and conditions of the offering of the Shares and the merits and risks of investing in the Shares; (ii) access to information about the Company and its Subsidiaries and their respective financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. Neither such inquiries nor any other investigation conducted by or on behalf of the Purchaser or its representatives or counsel shall modify, amend or affect the Purchaser's right to rely on the truth, accuracy and completeness of the Company's representations and warranties contained in this Agreement. The Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to its acquisition of the Shares.

(i) Brokers and Finders. Other than the Placement Agent with respect to the Company (which fees are to be paid by the Company and are also set forth on Schedule 3.l(nn)), no Person will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company or the Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Purchaser.

(j) Independent Investment Decision. The Purchaser has independently evaluated the merits of its decision to purchase Shares pursuant to this Agreement, and the Purchaser is not relying upon, and has not relied upon, any statement, representation or warranty made by any Person, except for the statements, representations and warranties contained in this Agreement. The Purchaser understands that nothing in this Agreement or any other materials presented by or on behalf of the Company to the Purchaser in connection with the purchase of the Shares constitutes legal, tax or investment advice. The Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the Shares. The Purchaser understands that the Placement Agent has acted solely as the agent of the Company in this placement of the Shares and the Purchaser has not relied on the business or legal advice of the Placement Agent or any of its agents, counsel or Affiliates in making its investment decision hereunder, and confirms that none of such Persons has made any representations or warranties to the Purchaser in connection with the transactions contemplated by this Agreement.

(k) Reliance on Exemptions. The Purchaser understands that the Shares being offered and sold to it in reliance on specific exemptions from the registration requirements of U.S. federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Purchaser's compliance with, the representations, warranties, agreements, acknowledgements and understandings of the Purchaser set forth herein in order to determine the availability of such exemptions and the eligibility of the Purchaser to acquire the Shares.

(l) No Governmental Review. The Purchaser understands that no Governmental Authority has passed on or made any recommendation or endorsement of the Shares or the fairness or suitability of the investment in the Shares nor have such authorities passed upon or endorsed the merits of the offering of the Shares.

(m) No Regulatory Consents or Approvals. Except as required pursuant to Section 5.l(k), no consent, approval, order or authorization of, or registration, declaration or filing with, any Bank Regulatory Authority or other third party is required on the part of Purchaser in connection with (a) the execution, delivery or performance by Purchaser of this Agreement and the Transaction Documents contemplated hereby or (b) the consummation by Purchaser of the transactions contemplated hereby.

(n) Residency. The Purchaser's residence (if an individual) or office in which its investment decision with respect to the Shares was made (if an entity) are located at the address of Purchaser contained in Section 6.2.

3.3 No Additional Representations and Warranties. The Company and the Purchaser acknowledge and agree that no party to this Agreement has made or makes any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in this ARTICLE III and the Transaction Documents.

ARTICLE IV

OTHER AGREEMENTS OF THE PARTIES

4.1 Filings; Other Actions.

(a) The Purchaser (on behalf of itself and its Affiliates, and its and their respective directors, officers, partners, members and shareholders), on the one hand, and the Company (on behalf of itself and its Affiliates), on the other hand, will cooperate and consult with each other and use commercially reasonable efforts to prepare and file all necessary documentation, to effect all necessary applications, notices, petitions, filings, and other documents, and to obtain all necessary permits, consents, orders, approvals, and authorizations of, or any exemption by, all third parties and Governmental Authorities, and expiration or termination of any applicable waiting periods, necessary or advisable to consummate the transactions contemplated by this Agreement and the other Transaction Documents, and to perform their respective covenants in this Agreement and the other Transaction Documents. Each party shall, and shall cause its respective Affiliates, and its and their respective directors, officers, partners, members and shareholders to) execute and deliver, both before and after the Closing, such further certificates, agreements, and other documents and take such other actions as the other party may reasonably request to consummate or implement such transactions or to evidence such events or matters. Notwithstanding anything herein to the contrary, the Purchaser and its Affiliates are not subject to any covenant or agreement under this Agreement to file any application or notice under the BHC Act or the CIBC Act in connection with any of the transactions as contemplated hereby, and nothing herein shall require the Purchaser or any of its Affiliates to take any action that would result in the Purchaser or its Affiliates being deemed to control the Company for the purposes of the BHC Act or the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions), or that would require the Purchaser or its Affiliates to Register as a bank holding company, or that would result in the imposition of any Burdensome Condition. Each party hereto agrees to keep the other party apprised of the status of matters relating to completion of the transactions contemplated hereby.

(b) Each party agrees, upon request, to furnish the other party with all information concerning itself, its subsidiaries, Affiliates, directors, officers, partners, members and shareholders and such other matters as may be reasonably necessary or advisable in connection with any statement, filing, notice, or application made by or on behalf of such other party or any of its subsidiaries to any Governmental Authority in connection with Transaction Documents; provided, however, that this Section 4.1(b) shall not require a party to furnish any of its or its Affiliates' partnership agreements.

4.2 Transfer Restrictions.

(a) Compliance with Laws. Notwithstanding any other provision of this Agreement, the Purchaser covenants that the Shares may be disposed of only pursuant to an effective registration statement under, and in compliance with the requirements of, the Securities Act, or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable state, federal or foreign securities Laws. In connection with any transfer of the Shares other than (i) pursuant to an effective registration statement, (ii) to one or more Affiliates of Purchaser, (iii) to the Company; (iv) in a merger or other recapitalization or business combination transaction authorized and approved by the Board of Directors, or (v) pursuant to Rule 144 (provided that the transferor provides the Company with reasonable assurances (in the form of seller and broker representation letters) that such securities may be sold pursuant to such rule), the Company may require the transferor thereof to provide to the Company and the Transfer Agent, at the transferor's expense, an opinion of counsel selected by the transferor and reasonably acceptable to the Company and the Transfer Agent, the form and substance of which opinion will be reasonably satisfactory to the Company and the Transfer Agent, to the effect that such transfer does not require registration of such Shares under the Securities Act. As a condition of transfer (other than pursuant to clauses (i), (iii), (iv) or (v) of the preceding sentence), any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights of a Purchaser under this Agreement and the Registration Rights Agreement with respect to such transferred Shares.

(b) Legends. Certificates evidencing the Shares will bear any legend as required by the "blue sky" Laws of any state and a restrictive legend in substantially the following form, until such time as they are not required under Section 4.2(c) or applicable Law:

> THESE SECURITIES HA VE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER SAID ACT (PROVIDED THAT THE TRANSFEROR PROVIDES THE COMPANY WITH REASONABLE ASSURANCES (IN THE FORM OF SELLER REPRESENTATION LETTER AND, IF APPLICABLE, A BROKER REPRESENTATION LETTER) THAT THE SECURITIES MAY BE SOLD PURSUANT TO SUCH RULE). NO REPRESENTATION IS MADE BY THE ISSUER AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THESE SECURITIES.

(c) Removal of Legends. The Company will take such action as may be necessary and appropriate to cause the Transfer Agent to issue to the Purchaser a new certificate representing the Shares without such restrictive legends as set forth in Section 4.2(b) in exchange for the certificate issued to the Purchaser under Section 2.3(a)(ii) of this Agreement upon the earliest to occur of the following: (i) such Shares are registered for resale under the Securities Act, (ii) such Shares are sold or transferred pursuant to Rule 144, or (iii) such Shares are eligible for sale under Rule 144, without the requirement for the Company to be in compliance with the current public information required under Rule 144(c)(l) (or Rule 144(i)(2), if applicable) as to such securities and without volume or manner-of-sale restrictions. If a legend is no longer required pursuant to the foregoing, the Company will no later than three (3) Business Days following the delivery by the Purchaser to the Transfer Agent of a legended certificate representing such Shares (such third trading day, the **"Legend Removal Date"),** deliver or cause to be delivered to the Purchaser a certificate representing such Shares that is free from all restrictive legends. The Company may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this Section 4.2(c). Any fees (with respect to the transfer agent or otherwise) associated with the removal of such legend shall be borne by the Company.

(d) Cooperation by the Company. The Company shall cooperate, in accordance with reasonable and customary business practices with any and all transfers, whether by direct or indirect sale, assignment, award, confirmation, distribution, bequest, donation, trust, pledge, encumbrance, hypothecation or other transfer or

disposition, for consideration or otherwise, whether voluntarily or involuntarily, by operation of law or otherwise, by the Purchaser or any of its successors and assigns of the Securities and other shares of Common Stock such party may beneficially own prior to or subsequent to the date hereof in accordance with this Agreement.

4.3 Form D and Blue Sky. The Company will take such action as the Company reasonably determines is necessary in order to obtain an exemption for or to qualify the Shares for sale to the Purchaser at the Closing pursuant to this Agreement under applicable federal and state securities Laws (or to obtain an exemption from such qualification). The Company will make all filings and reports relating to the offer and sale of the Shares required under applicable federal and state securities Laws following the Closing Date.

4.4 No Integration. The Company will not sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that will be integrated with the offer or sale of the Shares in a manner that would violate the integration rules and policies of the Commission and/or any state securities regulatory, or require the registration under the Securities Act of the sale of the Shares to the Purchaser.

4.5 Publicity. The Company shall be permitted, without the prior consent of Purchaser, to issue a press release in connection with the closing of the Private Placement. Such press release may include the total number of Shares of Common Stock and shares of Nonvoting Preferred Stock sold and the amount of capital raised pursuant to the Private Placement, including Shares acquired by the Purchaser and the Other Purchasers. Without limiting the foregoing, the Company shall not publicly disclose the name of the Purchaser or any Affiliate or investment adviser of the Purchaser, or include the name of the Purchaser or any Affiliate or investment adviser of the Purchaser in any press release or in any filing with the Commission or any regulatory agency (other than in such filings as may be requested by the Federal Reserve in connection with this Private Placement), without the prior written consent of the Purchaser, except to the extent such disclosure is required by Law, in which case the Company shall provide the Purchaser with prior written notice of such disclosure permitted hereunder and a reasonable opportunity to provide comments on such disclosure.

4.6 Confidentiality. Except with the prior written consent of the Company or as otherwise required by Law, the Purchaser will keep confidential and will not disclose, in whole or in part, any Confidential Information (other than to its Representatives), and the Purchaser will use its reasonable best efforts to cause its Representatives who are provided Confidential Information to keep such Confidential Information confidential in accordance with the terms of this Section 4.6 to the fullest extent as if they were parties hereto.

4.7 Indemnification.

(a) Indemnification of the Purchaser. The Company will indemnify and hold the Purchaser and its directors, officers, shareholders, members, managers, partners, employees, agents, successors and assigns (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls the Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, managers, members, partners, employees, agents, successors and permitted assigns (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling Person (each, an **"Indemnified Person")** harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs, interest and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and expenses and costs of investigation, preparation and defense (collectively, "Losses") that any such Indemnified Person may suffer or incur as a result of (i) any breach of or inaccuracy in any of the representations or warranties made by the Company in this Agreement, (ii) any breach or default in performance of any of the covenants or agreements made by the Company in this Agreement, or (iii) any action instituted against an Indemnified Person in any capacity, or any of them or their respective Affiliates, by any Governmental Authority, shareholder of the Company or any other Person who is not an Affiliate of such Indemnified Person, arising out of the transactions contemplated by this Agreement and the other Transaction Documents. The Company will not be liable to any Indemnified Person under this Agreement to the extent, but only to the extent that a loss, claim, damage or liability is attributable to any Indemnified Person's breach of any of the representations, warranties, covenants or agreements made by such Indemnified Person in this Agreement. Any indemnification payment made pursuant to this Agreement shall be treated as an adjustment to purchase price for Tax purposes, except as otherwise required by Law.

(b) Conduct of Indemnification Proceedings. Promptly after receipt by any Indemnified Person of any notice of any demand, claim or circumstance which would or might give rise to a claim or the commencement of any Proceeding in respect of which indemnity may be sought pursuant to this Section 4.7 **("Indemnification Claim"),** such Indemnified Person will notify the· Company in writing of such Indemnification Claim; provided that the failure of any Indemnified Person to so notify the Company will not relieve the Company of its obligations hereunder except to the extent that such failure will have materially and adversely prejudiced the Company (as finally determined by a court of competent jurisdiction, which determination is not subject to appeal or further review). In the event that any Indemnification Claim would or might give rise to a claim or the commencement of any Proceeding by a third party **("Third Party Claim"),** the Company shall be entitled to assume and control the defense thereof, including the employment of counsel reasonably satisfactory to the applicable Indemnified Person at the Company's expense, if the Company gives notice to the Indemnified Person of its intent to do so within twenty (20) Business Days of the Company's receipt of notice of the Third Party Claim from the Indemnified Person and agrees in writing, subject to the limitations and other provisions set forth in this Agreement, that it shall indemnify the Indemnified Person with respect to such Third Party Claim. In any Third Party Claim, any Indemnified Person will have the right to retain its own counsel, but the fees and expenses of such counsel will be at the expense of such Indemnified Person, unless: (i) the Company and the Indemnified Person will have mutually agreed to the retention of such counsel; (ii) the Company will have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Person in such Proceeding; (iii) the Third Party Claim does not seek solely monetary relief, (iv) the Company does not conduct the defense of the Third Party Claim actively and diligently, or (v) in the reasonable judgment of counsel to such Indemnified Person, representation of both parties by the same counsel would be inappropriate due to actual or potential conflict of interest between them. The Company will not be liable for any settlement of any Proceeding related to any Indemnification Claim effected without its written consent, which consent will not be unreasonably withheld, delayed or conditioned; provided that in the event the Company has not (i) assumed the defense in such Proceeding and (ii) agreed in writing that it shall indemnify the Indemnified Person with respect to such Proceeding, nothing set forth herein shall prohibit the Indemnified Person from effecting a settlement of such Proceeding and initiating an Indemnification Claim against the Company following such settlement. Without the prior written consent of the Indemnified Person, the Company will not effect any settlement of any pending or threatened Proceeding in respect of which any Indemnified Person is or could have been a party and indemnity could have been sought hereunder by such Indemnified Person, unless such settlement (i) includes an unconditional release of such Indemnified Person from all liability arising out of such Proceeding, (ii) ascribes no fault on the part of such Indemnified Person and (iii) provides for solely monetary relief. In the event the Company exercises the right to undertake any defense against any Third Party Claim as provided above, the Indemnified Person shall reasonably cooperate with the Company in such defense and to the extent possible make available to the Company all witnesses, pertinent records, materials and information in the Indemnified Person's possession or under the Indemnified Person's control relating thereto as is reasonably requested by the Company. Similarly, in the event the Indemnified Person is, directly or indirectly, conducting the defense against any Third Party Claim, the Company shall reasonably cooperate with the Indemnified Person in such defense and to the extent possible make available to the Indemnified Person all witnesses, records, materials and information in the Company's possession or under the Company's control relating thereto as is reasonably requested by the Indemnified Person.

(c) Limitation on Amount of Company's Indemnification Liability.

(i) Deductible. Except as provided otherwise in Section 4.6(c)(iii), the Company will not be liable for Losses that otherwise are indemnifiable under Section 4.6(a)(i) until the total of all Losses incurred by Purchaser exceeds $350,000.

(ii) Maximum. Except as provided otherwise in Section 4.6(c)(iii), the maximum aggregate liability of the Company for all Losses under Section 4.6(a)(i) is the Subscription Amount.

(iii) Exceptions. The provisions of Section 4.6(c)(i) and (ii) do not apply to (A) claims due to the inaccuracy of any of the representations or breach of any warranties of the Company in Sections 3.l(a), 3.l(b), 3.l(c), 3.l(e), 3.l(f), 3.l(g), 3.l(i) and 3.l(nn) or (B) indemnification claims involving fraud or knowing and intentional misconduct on behalf of the Company. For purposes of the indemnity contained in Section 4.7(a), all qualifications and limitations set forth in the Company's representations and warranties as to "materiality," "Company's Knowledge," "Material Adverse Effect" and words of similar import shall be

disregarded in determining whether there shall have been any inaccuracy in or breach of any representations and warranties in this Agreement.

4.8 Use of Proceeds. The Company intends to use all or substantially all of the net proceeds from the sale of the Shares to further capitalize the Company and the Bank for general corporate and working capital purposes. In addition, the Company may also use a portion of the proceeds of the offering to redeem all or a portion of its outstanding preferred stock or to repay all or a portion of our line of credit with First National Bankers Bank; if any. Additionally, the Company may. use the net proceeds to develop additional banking offices or to finance· bank or other acquisitions.

4.9 Limitation on Beneficial Ownership. Neither the Purchaser nor any of its Affiliates will be entitled to purchase a number of Shares that would result in such the Purchaser becoming, directly or indirectly, the beneficial owner (as determined under Rule 13d-3 under the Exchange Act) of more than 9.9% of the issued and outstanding shares of Common Stock (counting for such purposes the number of shares· of Common Stock into which any shares of Nonvoting Preferred Stock then outstanding are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock).

4.10 Certain Transactions. The Company will not merge or consolidate into, or sell, transfer or lease all or substantially all of its property or assets to, any other party unless the successor, transferee or lessee party, as the case may be (if not the Company), expressly assumes the due and punctual performance and observance of each and every covenant and condition of this Agreement to be performed and observed by the Company.

4.11 Conduct of Business. From the date hereof until the earlier of: (x) the Closing Date or (y) the termination of this Agreement in accordance with its terms, except (1) as contemplated by this Agreement or the Other Purchase Agreements and (2) as disclosed in Schedule 4.11, the Company will, and will cause its Subsidiaries to (a) operate their business in the ordinary course consistent with past practice, preserve intact the current business organization of the Company, use commercially reasonable efforts to retain the services of their employees, consultants and agents, preserve the current relationships of the Company and its Subsidiaries with material customers and other Persons with whom the Company and its Subsidiaries have and intend to maintain significant relations, maintain all of its operating assets in their current condition (normal wear and tear excepted) and will not take or omit to take any action that, if taken or omitted to be taken after January 1, 2011 and prior to the date hereof, would constitute a breach of Section 3.l(k), or (b) refrain from: (1) declaring, setting aside or paying any distributions or dividends on, or making any other distributions (whether in cash, securities or other property) in respect of, any of its capital stock; (2) splitting, combining or reclassifying any of its capital stock or issuing or authorizing the issuance of any other securities in respect of, in lieu of or in substitution for capital stock or any of its other securities; (3) purchasing, redeeming or otherwise acquiring any capital stock or any of its other securities or any rights, warrants or options to acquire any such capital stock or other securities; (4) issuing, delivering, selling, granting, pledging or otherwise disposing of or encumbering any capital stock, any other voting securities or any securities convertible into or exchangeable for, or any rights, warrants or options to acquire, any such capital stock, voting securities or convertible or exchangeable securities, other than any issuance of Common Stock on exercise of any compensatory stock options outstanding on the date of this Agreement; (5) acquiring or agreeing to acquire in any manner, including by way of merger, consolidation, or purchase of any capital stock or assets, any business of any Person or other business organization or division thereof; or (6) selling, transferring or otherwise disposing of (i) all or substantially all of the assets of the Company or any Subsidiary or (ii) any assets that are material to the business or the operation and management of the business of the Company and the Subsidiaries.

4.12 Delivery of Financial Statements.

(a) The Company shall deliver to the Purchaser:

(i) as soon as practicable, but in any event within ninety (90) days after the end of each fiscal year of the Company, (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements audited and certified by independent public accountants selected by the Company, and the chief financial officer and chief executive officer of the Company shall certify in

writing that such financial statements were prepared in accordance with GAAP consistently applied with prior practice for earlier periods and fairly present the financial condition of the Company and its results of operation for the periods specified therein;

(ii) as soon as practicable, but in any event within forty five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, unaudited statements of income and of cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP), and the chief financial officer and chief executive officer of the Company shall certify in writing that such financial statements were prepared in accordance with GAAP consistently applied with prior practice for earlier periods (except as otherwise set forth in this Section 4.12(a)(ii)) and fairly present the financial condition of the Company and its results of operation for the periods specified therein;

(iii) as soon as practicable following the request of the Purchaser, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Purchaser to calculate its percentage equity ownership in the Company, and certified by the chief financial officer or chief executive officer of the Company as being true, complete, and correct; and

(iv) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as the Purchaser may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Section 4.12(a)(iv) to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

4.13 Registration Rights. Contemporaneously with the execution and delivery of this Agreement, the Company and the Purchaser shall execute and deliver the Registration Rights Agreement.

4.14 Rights to Purchase New Securities.

(a) For so long as the Purchaser, together with its Affiliates, has not transferred any Shares acquired pursuant to this Agreement to one or more third parties, Purchaser shall have the right to purchase, on the terms and conditions set forth herein, Purchaser's Pro Rata Portion of (i) any Company Securities, or (ii) any Subsidiary Securities, in each case that the Company or the Company's Subsidiary may propose to issue (each of (i) and (ii), the **"New Securities").** Except as otherwise provided herein, the **"Pro Rata Portion"** of New Securities that the Purchaser shall be entitled to purchase in the aggregate shall be determined by multiplying (x) the total number or principal amount of such offered New Securities by (y) a fraction, the numerator of which is the total number of shares of Common Stock then held by the Purchaser (counting for such purposes all shares of Common Stock into which any securities owned by the Purchaser are directly or indirectly convertible or exercisable, without regard to any limitations on conversion that may apply pursuant to the terms of such securities, if any, and the denominator of which is the total number of shares of Common Stock then outstanding (counting for such purposes all shares of Common Stock into which any securities owned by all shareholders are directly or indirectly convertible or exercisable, without regard to any limitations on conversion that may apply pursuant to the terms of such securities).

(b) The Company shall give Purchaser notice (an **"Issuance Notice")** of any proposed issuance or sale by the Company or any Subsidiary of the Company of any New Securities at least thirty (30) days prior to the proposed issuance or sale date. The Issuance Notice shall specify the price at which such New Securities are to be issued or sold and the other material terms of the issuance. Subject to Section 4.14(f) below, Purchaser shall

be entitled to purchase up to Purchaser's Pro Rata Portion of the New Securities proposed to be issued or sold, at the price and on the terms specified in the Issuance Notice.

(c) If Purchaser is to purchase any or all of its Pro Rata Portion of the New Securities specified in the Issuance Notice, Purchaser shall deliver written notice to the Company (an **"Exercise Notice")** of its election to purchase such New Securities within thirty (30) days after the date of the Issuance Notice. The Exercise Notice shall specify the number (or amount) of New Securities to be purchased by Purchaser and shall constitute exercise by Purchaser of its rights under this Section 4.14 and a binding agreement of Purchaser to purchase, at the price and. on the terms and conditions specified in the Issuance Notice, the number of shares (or amount) of New Securities specified in the Exercise Notice. If, at the termination of such thirty (30)-day period, Purchaser shall not have delivered an Exercise Notice to the Company, Purchaser shall be deemed to have waived all of its rights under this Section 4.14 with respect to the purchase of such New Securities (but not with respect to the purchase of future issuances of New Securities).

(d) The Company or the applicable Subsidiary thereof shall have sixty (60) days after the date of the Issuance Notice to consummate the proposed issuance or sale of any or all of such New Securities that Purchaser has not elected to purchase at the price and upon terms and conditions specified in the Issuance Notice; provided that, if such issuance is subject to regulatory approval, such sixty (60)-day period shall be extended until the expiration of ten (10) Business Days after all such approvals have been received, but in no event later than one hundred twenty (120) days after the date of the Issuance Notice. If the Company or a Subsidiary thereof proposes to issue or sell any such New Securities after such sixty (60)-day (or 120-day) period, it shall again comply with the procedures set forth in this Section 4.14.

(e) At the consummation of the issuance or sale of such New Securities, the Company or the applicable Subsidiary thereof shall issue certificates or instruments representing the New Securities to be purchased by Purchaser in connection with exercising its preemptive rights pursuant to this Section 4.14 registered in the name of Purchaser, promptly following payment by Purchaser of the purchase price for such New Securities in accordance with the terms and conditions as specified in the Issuance Notice.

(f) Notwithstanding the foregoing, Purchaser shall not be entitled to purchase New Securities as contemplated by this Section 4.14 in connection with issuances or sales of New Securities (i) to employees, officers, directors or consultants of the Company pursuant to any employee benefit plans or compensatory arrangements approved by the Board of Directors (including upon the exercise of employee stock options granted pursuant to any such plans or arrangements), (ii) as consideration in connection with any bona fide, arm's-length direct or indirect merger, acquisition or similar transaction, (iii) in connection with the exercise or conversion of outstanding Company Securities or any interest payment, dividend or distribution in respect of outstanding Company Securities, (iv) in connection with any expedited issuance of New Securities undertaken at the written direction of an applicable Bank Regulatory Authority, or (v) in connection with the issuance of Company Securities pursuant to the Other Purchase Agreements. Purchaser shall not be entitled to purchase New Securities to the extent that such purchase would cause Purchaser to be in breach of its obligations under Sections 4.9 and 4.15, respectively.

(g) Notwithstanding the foregoing provisions of this Section 4.14, if a majority of the directors of the Board of Directors determines that it is in the best interests of the Company to issue equity or debt securities on an expedited basis, then the Company may consummate the proposed issuance or sale of such securities prior to the expiration of the time periods set forth in Sections 4.14(b) and (c) (an **"Expedited Issuance").** In connection with such Expedited Issuance, the Company and the Board of Directors shall make appropriate provision in order to comply with the provisions of this Section 4.14 following the completion of such Expedited Issuance. The sale of any such additional New Securities under this Section 4.14(g) to the Purchaser and to the Other Purchasers pursuant to similar provisions in the Other Purchase Agreements shall be consummated as promptly as is practicable, but in any event no later than ninety (90) days subsequent to the date on which the Company consummates the Expedited Issuance. Notwithstanding anything to the contrary in this Agreement, no rights of the Purchaser under this Agreement will be adversely affected solely as the result of the temporary dilution of its percentage ownership of Common Shares due to an Expedited Issuance under this Section 4.14(g); provided, however, that such rights may be adversely affected from and after such time, if any, that the Purchaser declines to purchase Common Shares offered to the Purchaser under this Section 4.14.

(h) The Company and the Purchaser shall cooperate in good faith to facilitate the exercise of the Purchaser's rights under this Section 4.14, including to secure any required third party approvals or consents.

4.15 Avoidance of Control. Notwithstanding anything to the contrary in this Agreement, neither the Company nor any Subsidiary shall take any action (including, without limitation, any redemption,. repurchase, rescission or recapitalization of Common Stock, or securities or rights, options or warrants to purchase Common Stock, or securities of any type whatsoever that are, or may become, convertible into or exchangeable into or exercisable for Common Stock in each case, where each Purchaser is not given the right to participate in such redemption, repurchase, rescission or recapitalization to the extent of such Purchaser's pro rata proportion), that would cause (a) the Purchaser's or any other Person's equity of the Company (together with equity owned by the Purchaser's or other Person's Affiliates (as such term is used under the BHC Act)) to exceed 33.3% of the Company's total equity (provided that there is no ownership or control in excess of 9.9% of any class of Voting Securities by the Purchaser or any other Person, together with their respective Affiliates, as applicable) or (b) the Purchaser's or any other Person's ownership of any class of Voting Securities (together with the ownership by the Purchaser's Affiliates (as such term is used under the BHC Act) of Voting Securities) to exceed 9.9%, in each case without the prior written consent of the Purchaser or such Person, or to increase to an amount that would constitute "control" under the BHC Act, the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions) or otherwise cause the Purchaser to "control" the Company under and for purposes of the BHC Act, the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions). Notwithstanding anything to the contrary in this Agreement, the Purchaser (together with its Affiliates (as such term is used under the BHC Act)) shall not have the ability to purchase more than 33.3% of the Company's total equity or exercise any voting rights of any class of securities in excess of 9.9% of the total outstanding Voting Securities. In the event either the. Company or the Purchaser breaches its obligations under this Section 4.15 or believes that it is reasonably likely to breach such an obligation, it shall promptly notify the other parties hereto and shall cooperate in good faith with such parties to modify ownership or make other arrangements or take any other action, in each case, as is necessary to cure or avoid such breach.

4.16 Inspection. The Company shall permit the Purchaser, at the Purchaser's expense, to visit and inspect the Company's and each of its Subsidiaries' properties; examine each of their respective books of account and records; and discuss with each of their respective officers their affairs, finances, and accounts, during normal business hours as may be reasonably requested by the Purchaser; provided, however, that (a) such right of inspection may be exercised by the Purchaser only once per calendar quarter, and (b) neither the Company nor any Subsidiary shall be obligated pursuant to this Section 4.16 to provide access to any information that the Company or its Subsidiary reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company, its Subsidiaries and their respective legal counsel.

4.17 FDIC Final Statement of Policy on Qualifications for Failed Bank Acquisitions. So long as the Purchaser holds any Shares, the Company will not, without the consent of the Purchaser, take any action, directly or indirectly, through its subsidiaries or otherwise, that the Board of Directors believes in good faith would reasonably be expected to cause the Purchaser to be subject to transfer restrictions or other covenants of the FDIC Final Statement of Policy on Qualifications for Failed Bank Acquisitions as in effect at the time of taking such action.

ARTICLE V
CONDITIONS PRECEDENT TO CLOSING

5.1 Conditions Precedent to the Purchaser's Obligations. The obligation of the Purchaser to purchase the Shares at the Closing is subject to the fulfillment to the Purchaser's satisfaction, on or prior to the Closing Date, of each of the following conditions, any of which may be waived by the Purchaser in writing:

(a) Representations and Warranties. The representations and warranties of the Company contained herein shall be true and correct as of the date when made and as of the Closing Date, as though made on and as of such date, except for such representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date.

(b) Performance. The Company will have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by it at or prior to the Closing.

(c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that seeks to restrain, prohibit or rescind the transactions contemplated by this Agreement, including prohibiting or restricting the Purchaser or any of its Affiliates from owning any Shares in accordance with the terms and conditions of this Agreement.

(d) Consents. The Company shall have obtained in a timely fashion any and all consents, permits, approvals, registrations and waivers necessary for consummation of the purchase and sale of the Shares, all of which will be and remain so long as necessary in full force and effect.

(e) Company Deliverables. The Company shall have delivered the Company Deliverables in accordance with Section 2.3(a).

(f) Minimum Gross Proceeds. The Company shall have received (or shall receive concurrently with the Closing) gross proceeds from the Private Placement (including, without limitation, the sale of the Shares to the Purchaser pursuant to this Agreement), at a price per share equal to the Purchase Price, in an aggregate amount of not less than $75,000,000.

(g) No Burdensome Condition. Since the date hereof, there shall not be any action taken, or any law, rule or regulation enacted, entered, enforced or deemed applicable to the Company or its Subsidiaries, the Purchaser (or its Affiliates) or the transactions contemplated by this Agreement, by any Governmental Authority (including any Bank Regulatory Authority) which imposes any new restriction or condition on the Company or its Subsidiaries or the Purchaser or any of its Affiliates (other than such restrictions as· are described in any passivity or anti-association commitments, as may be amended from time to time, entered into by the Purchaser) which the Purchaser determines, in its reasonable good faith judgment, is materially and unreasonably burdensome on the Company's business following the Closing or on the Purchaser (or any of its Affiliates) or would reduce the economic benefits of the transactions contemplated by this Agreement to the Purchaser to such a degree that the Purchaser would not have entered into this Agreement had such condition or restriction been known to it on the date hereof (any such condition or restriction, a **"Burdensome Condition"),** and, for the avoidance of doubt, any requirements to disclose the identities of limited partners, shareholders or members of the Purchaser or its Affiliates or its investment advisers, other than the identities of Affiliates of the Purchaser, shall be deemed a Burdensome Condition unless otherwise determined by the Purchaser in its sole discretion.

(h) Termination. This Agreement shall not have been terminated in accordance with Section 6.13 herein.

(i) Bank Regulatory Issues. (1) The purchase of the Shares shall not (i) cause the Purchaser or any of its Affiliates to violate any bank regulation, (ii) require the Purchaser or any of its affiliates (as such term is used in the BHC Act or the CIBC Act, as applicable) to file a prior notice with the Federal Reserve or its delegee under the CIBC Act or the BHC Act or obtain the prior approval of any bank regulator or (iii) cause the Purchaser, together with any other Person whose Company securities would be aggregated with the Purchaser's Company securities for purposes of any bank regulation or law, to collectively be deemed under the BHC Act, the CIBC Act, any other applicable bank regulation or law, or any rules or regulations promulgated thereunder (or any successor provisions) to own, control or have the power to vote securities which (assuming, for this purpose only, full conversion and/or exercise of such securities by the Purchaser which are convertible or exercisable by their terms in the hands of the Purchaser) would represent more than 9.9% of the Voting Securities outstanding at such time, and (2) the Federal Reserve shall have accepted the Purchaser's usual and customary passivity and anti-association commitments.

(j) Material Adverse Effect. No Material Adverse Effect shall have occurred since the date of this Agreement; and

(k) Federal Reserve. The Purchaser shall have received confirmation, satisfactory in its reasonable good faith judgment, from the Federal Reserve or the Federal Reserve Bank of Dallas, as applicable, and the OFI, to the effect that the purchase of the Shares and the consummation of the Closing and the transactions contemplated by the Purchase Agreement or the Registration Rights Agreement will not result in the Purchaser or any of its Affiliates being deemed in control of the Company or the Bank for purposes of the BHC Act, the Federal Reserve's Regulation Y and the Laws of the State of Louisiana.

5.2 Conditions Precedent to the Company's Obligations. The Company's obligation to sell and issue the Shares to the Purchaser at the Closing is subject to the fulfillment to the satisfaction of the Company, on or prior to the Closing Date, of each of the following conditions, any of which may be waived by the Company:

(a) Representations and Warranties. The representations and warranties of the Purchaser contained herein shall be true and correct as· of the date when made and as of the Closing Date (other than any inaccuracies that, individually or in the aggregate, would not materially and adversely impact the Purchaser's ability to fund the Subscription Amount and close the Private Placement in a timely manner), as though made on and as of such date, except for such representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date.

(b) Performance. The Purchaser will have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Purchaser at or prior to the Closing.

(c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that seeks to restrain, prohibit or rescind the transactions contemplated by this Agreement, including prohibiting or restricting the Purchaser or any of its Affiliates from owning any Shares in accordance with the terms and conditions of this Agreement.

(d) Purchaser Deliverables. The Purchaser shall have delivered its Purchaser Deliverables in accordance with Section 2.3(b).

(e) Termination. This Agreement shall not have been terminated in accordance with Section 6.13 herein.

ARTICLE VI

MISCELLANEOUS

6.1 Entire Agreement. This Agreement, together with the exhibits and schedules hereto, and the Registration Rights Agreement contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, discussions and representations, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules. At or after the Closing, and without further consideration, the Company and the Purchaser will execute and deliver to the other party such further documents as may be reasonably requested in order to give practical effect to the intention of the parties under this Agreement and the Registration Rights Agreement.

6.2 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder will be in writing and will be deemed given and effective on the earliest of (a) the date of transmission, if such notice or communication is delivered via facsimile (provided the sender receives a machine-generated confirmation of successful transmission) at the facsimile number specified in this Section 6.2 or via electronic mail to the electronic mail address specified in this Section 6.2 prior to 5 :00 p.m., Ruston, Louisiana time, on a Business Day, (b) the next Business Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number specified in this Section 6.2 or via electronic mail to the electronic mail address specified in this Section 6.2 on a day that is not a Business Day or later than 5:00 p.m., Ruston, Louisiana time, on any Business Day, (c) the Business Day following the date of mailing, if sent by U.S. nationally recognized

overnight courier service with next day delivery specified, or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications will be as follows:

If to the Company:	Community Trust Financial Corporation 1511 N. Trenton Street Ruston, Louisiana 71270 Attention: Drake D. Mills Telephone: (318) 254-7422 Fax: (318) 254-7429 E-mail Address: drake@ctbonline.com
With a copy to:	Jones, Walker, Waechter, Poitevent, Carrere & Denegre L.L.P. 190 E. Capitol St., Suite 800 Jackson, Mississippi Attention: J. Andrew Gipson Telephone: (601) 949-4789 Fax: (601) 949-4804 E-mail Address: agipson@joneswalker.com
If to the Purchaser:	Banc Fund VII L.P. 20 N. Wacker Drive, Suite 3300 Chicago, Illinois 60606 Attention: Terry Murphy Telephone: (312) 855-6202 Fax: (312) 855-6610 E-mail Address: tmurphy@bancfund.com

or such other address as may be designated in writing hereafter, in the same manner, by such Person.

6.3 Amendments; Waivers. No amendment or waiver of any provision of this Agreement will be effective with respect to any party unless made in writing and signed by an officer or a duly authorized representative of such party.

6.4 Construction. The headings herein are for convenience only, do not constitute a part of this Agreement and will not be deemed to limit or affect any of the provisions hereof. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. This Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

6.5 Successors and Assigns. The provisions of this Agreement will inure to the benefit of and be binding upon the parties and their successors and permitted assigns. Neither this Agreement, nor any rights or obligations hereunder, may be assigned by the Company without the prior written consent of the Purchaser. The Purchaser may assign its rights hereunder in whole or in part to any Person to whom the Purchaser assigns or transfers any Shares in compliance with this Agreement and applicable law; provided that such transferee will agree in writing to be bound, with respect to the transferred Shares, by the terms and conditions of this Agreement that apply to the "Purchaser."

6.6 No Third-Party Beneficiaries. Nothing contained in this Agreement, expressed or implied, is intended to confer or shall confer upon any person other than the express parties hereto, any benefit right or remedies, except as otherwise provided specifically herein. Notwithstanding the foregoing, the provisions of Sections 4.7 shall inure to the benefit of the persons referred to in those Sections to the extent provided therein.

6.7 **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES SUBJECT TO THIS AGREEMENT WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF LOUISIANA, WITHOUT REGARD TO THE**

LAWS THAT MIGHT OTHERWISE GOVERN UNDER APPLICABLE PRINCIPLES OF CONFLICTS OF LAWS. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS TO PROCESS BEING SERVED IN ANY SUCH PROCEEDING BY MAILING A COPY THEREOF VIA REGISTERED OR CERTIFIED MAIL OR OVERNIGHT DELIVERY (WITH EVIDENCE OF DELIVERY) TO SUCH PARTY AT THE ADDRESS IN EFFECT FOR NOTICES TO IT UNDER THIS AGREEMENT AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE GOOD AND SUFFICIENT SERVICE OF PROCESS AND NOTICE THEREOF. NOTHING CONTAINED HEREIN SHALL BE DEEMED TO LIMIT IN ANY WAY ANY RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

6.8 Survival. The representations and warranties of the Purchaser contained herein will not survive the Closing. The representations, warranties, covenants and agreements of the Company shall survive the Closing; provided that, except with respect to the Fundamental Representations, which shall survive the Closing to the extent of the applicable statute of limitations, the representations and warranties of the Company shall survive the Closing for a period of twenty-four (24) months following the Closing Date; provided that the Fundamental Representations shall survive indefinitely and the Statutory Representations shall survive until the expiration of the applicable statute of limitations; provided further, that if notice of an Indemnification Claim shall have been delivered by an Indemnified Person to the Company prior to the expiration of any representation, warranty, agreement or covenant of the Company in accordance with Section 4.7, this ARTICLE VI and the representations, warranties, agreements and covenants of the Company subject to such Indemnification Claim shall survive until the final resolution of such Indemnification Claim. Upon the expiration of the representations, warranties, agreements and covenants contained in this Agreement pursuant to this Section 6.8, such representations, warranties, agreements and covenants shall be deemed to be of no further force and effect.

6.9 Execution. This Agreement may be executed in any number of counterparts, each of which will be an original and all, when taken together, will be considered one and the same agreement. This Agreement will become effective when each party hereto will have received a counterpart hereof executed by the other party hereto. In the event that any signature is delivered by facsimile transmission, or by e-mail delivery of a ".pdf' format data file, such signature will create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile signature page were an original thereof.

6.10 Severability. If any provision of this Agreement is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired thereby, and the parties will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, will incorporate such substitute provision in this Agreement.

6.11 Remedies. Each of the parties acknowledges that the other party would be irreparably damaged and would not have an adequate remedy at law for money damages in the event that any of the covenants contained in this Agreement was not performed in accordance with its terms or otherwise was materially breached. Accordingly, each of the parties agrees that, without the necessity of proving actual damages or posting bond or other security, the other party will be entitled to temporary or permanent injunction or injunctions, upon proper showing, to prevent breaches of such performance and to specific enforcement of such covenants in addition to any other remedy to which the party may be entitled, at law or in equity.

6.12 Independent Nature of Purchasers' Obligations and Rights. The obligations of the Purchaser under this Agreement are several and not joint with the obligations of any Other Purchaser pursuant to any Other Purchase Agreement, and the Purchaser shall not be responsible in any way for the performance of the obligations of any Other Purchaser under any Other Purchase Agreement. The decision of the Purchaser to purchase the Shares pursuant to this Agreement has been made by the Purchaser independently of any Other Purchaser and independently of any information, materials, statements or opinions as to the business, affairs, operations, assets, properties, liabilities, results of operations, condition (financial or otherwise) or prospects of the Company or any Subsidiary which may have been made or given by any Other Purchaser or by any agent or employee of any Other Purchaser, and neither the Purchaser nor any of its agents or employees shall have any liability to any Other Purchaser (or any other Person)

relating to or arising from any such information, materials, statements or opinions. Nothing contained herein, and no action taken by the Purchaser pursuant hereto or thereto, shall be deemed to create a presumption that the Purchaser is in any way acting in concert or as a group with any Other Purchaser with respect to such obligations or the transactions contemplated by this Agreement. The Purchaser and the Other Purchasers shall be entitled to independently protect and enforce their rights, including the rights arising out of this Agreement, the Registration Rights Agreement and the Other Purchase Agreements, and it shall not be necessary for any other investor to be joined as an additional party in any proceeding for such purpose.

6.13 Termination.

(a) This Agreement may be terminated prior to the Closing:

(i) by mutual written agreement of the Company and the Purchaser;

(ii) by any party, upon written notice to the other party, in the event that the Closing does not occur on or before the Outside Date (as such Outside Date may be extended pursuant to Section 2.2 of this Agreement); provided that the parties acknowledge that all consents from any Governmental Authorities described in Section 5.l(d) must be received as soon as reasonably practicable in order for the Purchaser to be able to consummate the transactions contemplated by this Agreement on or before December 31, 2012; provided, further, that the right to terminate this Agreement pursuant to this Section 6.13(a)(ii) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date;

(iii) by the Purchaser, upon written notice to the Company, if (A) there has been a breach of any representation, warranty, covenant or agreement made by the Company in this Agreement, or any such representation and warranty shall have become untrue after the date of this Agreement, such that Section 5.l(a) or Section 5.l(b) would not be satisfied and (B) such breach or condition is not curable or, if curable, is not cured prior to the date that would otherwise be the Closing Date in absence of such breach or condition; provided that the right of the Purchaser to terminate this Agreement pursuant to this Section 6.13(a)(iii) shall not be available if the Purchaser is in material breach of any of the terms of this Agreement;

(iv) by the Company, upon written notice to the Purchaser, if (A) there has been a breach of any representation, warranty, covenant or agreement made by the Purchaser in this Agreement, or any such representation and warranty shall have become untrue after the date of this Agreement, such that Section 5.2(a) or Section 5.2(b) would not be satisfied and (B) such breach or condition is not curable or, if curable, is not cured prior to the date that would otherwise be the Closing Date in absence of such breach or condition; provided that the right of the Company to terminate this Agreement pursuant to this Section 6.13(a)(iv) shall not be available if the Company is in material breach of any of the terms of this Agreement;

(v) by any party, upon written notice to the other parties, in the event that any Governmental Authority shall have issued any order, decree or injunction or taken any other action restraining, enjoining or prohibiting any of the transactions contemplated by this Agreement, and such order, decree, injunction or other action shall have become final and nonappealable; or

(vi) by the Purchaser, upon written notice to the Company, if the Purchaser or any of its Affiliates receives written notice from or is otherwise advised by, the Federal Reserve that the Federal Reserve will not grant (or intends to rescind or revoke if previously granted) any of the written confirmations or determinations referred to in Section 5.l(k).

(c) Nothing in this Section 6.13 will be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement. Upon a termination of this Agreement in accordance with this Section 6.13, this Agreement (other than Section 4.6 (except, in respect of any party, in connection with litigation against it by the other party or its Affiliates), Section 4.7 and ARTICLE VI (including, without limitation, this Section 6.13 and Section 6.14), which shall remain in full force and effect) shall forthwith

become wholly void and of no further force and effect; provided, that nothing herein shall relieve any party from liability for willful breach of this Agreement.

6.14 Replacement of Shares. If any certificate evidencing any Shares is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate, but only upon receipt of evidence reasonably satisfactory to the Company a:µd the Transfer Agent of such loss, theft or destruction and the execution by the holder thereof of a customary lost certificate affidavit of that fact and an agreement to indemnify and hold harmless the Company and the Transfer Agent for any losses in connection therewith or, if required by the Transfer Agent, a bond in such form and amount as is required by the Transfer Agent. The applicants for a new certificate under such circumstances shall also pay any reasonable third-party costs associated with the issuance of such replacement certificate. If a replacement certificate evidencing any Shares is requested due to a mutilation thereof, the Company may require delivery of such mutilated certificate as a condition precedent to any issuance of a replacement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
[SIGNATURE PAGE FOR COMPANY FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

COMMUNITY TRUST FINANCIAL CORPORATION

By: /s/ Drake D. Mills
Drake D. Mills
Chairman, President and CEO

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
[SIGNATURE PAGE FOR PURCHASER FOLLOWS]

[SIGNATURE PAGE TO SECURITIES PURCHASE AGREEMENT]

BANC FUND VII L.P.

By: MidBanc VII L.P.
an Illinois limited partnership
Its General Partner
By: THE BANC FUNDS COMPANY, L.L.C.
an Illinois limited liability company
Its General Partner

By: /s/ Charles J. Moore
Charles J. Moore, Member

[SIGNATURE PAGE TO SECURITIES PURCHASE AGREEMENT]

EXHIBITS

A: Stock Certificate Questionnaire

B: Form of Opinion of Company Counsel

C: Form of Secretary's Certificate

D: Form of Officer's Certificate

E: Form of Registration Rights Agreement

EXHIBIT A

Stock Certificate Questionnaire

Pursuant to Section 2.2(b) of the Agreement, please provide us with the following information:

1. The exact name that the Shares are to be registered in (this is the name that will appear on the stock certificate(s)). You may use a nominee name if appropriate:

   BANC FUND VII L.P.

2. The relationship between the Purchaser of the Shares and the Registered Holder listed in response to Item 1 above:

   BENEFICIAL OWNER

3. The mailing address, telephone and telecopy number of the Registered Holder listed in response to Item 1 above:

   BANC FUND VII L.P.
   20 N. WACKER DRIVE, SUITE 3300
   CHICAGO, IL 60606
   Attention: T. Murphy
   Telephone: 312-855-6202
   Fax: 312-855-6610

4. The Tax Identification Number (or, if an individual, the Social Security Number) of the Registered Holder listed in response to Item 1 above:

   20-1818049

EXHIBIT B

Form of Opinion of Counsel

_____, 2012

Ladies and Gentlemen:

We have acted as special counsel to Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** in connection with the issuance and sale by the Company of _____ shares (the **"Shares")** of common stock,· par value $5.00 per share **("Common Stock"),** to _____ (the **"Purchaser"),** pursuant to that certain Securities Purchase Agreement by and between the Company and the Purchaser dated as of _____, 2012 (the **"Agreement"),** This opinion is being given pursuant to Section 2.3(a)(iii) of the Agreement. Capitalized terms not defined herein shall have the meanings given to them in the Agreement.

A. Basis of Opinion.

As the basis for the conclusions expressed in this opinion, we have reviewed and relied upon the following:

1. The Agreement and the related schedules and exhibits thereto;

2. The Registration Rights Agreement by and between the Company, the Purchaser and the other parties named therein, dated as of _____, 2012 (the **"Registration Rights Agreement"),** and all related schedules and exhibits thereto;

3. The Other Purchase Agreements and the related schedules and exhibits thereto;

4. A copy, certified by the Louisiana Secretary of State on _____ 2012, of the Articles of Incorporation of the Company;

5. The Bylaws of the Company, as certified to us by the Company;

6. Certificates, dated as of the date hereof, containing representations to this firm as to certain factual matters and executed by certain senior officers of the Company; and

7. Certificates of [_____] , dated as of recent dates, issued by various state and federal agencies and departments.

B. Opinion.

Based upon our examination and consideration of the foregoing, subject to the comments, assumptions, limitations, qualifications and exceptions set forth in Section C below, we are of the opinion that:

1. The Company is duly registered as a financial holding company under the Bank Holding Company Act of 1956, as· amended, and has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Louisiana. The Company has the requisite corporate power and authority to carry on its business as presently conducted.

2. Community Trust Bank (the "Bank") is duly organized as a Louisiana banking corporation and is validly existing and in good standing under the laws of the State of Louisiana. The Bank has the requisite power and authority as a banking corporation to carry on its business as presently conducted.

3. The Company has the corporate power and authority to execute and deliver and to perform its obligations under the Agreement, the Other Purchase Agreements and the Registration Rights Agreement, including, without limitation, to issue the Shares pursuant to the Agreement and to issue the shares of Common Stock pursuant to the Other Purchase Agreements.

4. The Agreement, the Other Purchase Agreements and the Registration Rights Agreement have been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery by the Purchaser or the Other Purchasers, as applicable, each of the Agreement, the Other Purchase Agreements and the Registration Rights Agreement constitutes the valid and binding obligation of the Company, enforceable against the Company in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) insofar as indemnification and contributions provisions may be limited by applicable law.

5. The execution and delivery by the Company of the Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the performance by the Company of its obligations under the Agreement, the Other Purchase Agreements and the Registration Rights Agreement, including its issuance and sale of the Shares, do not and will not: (a) contravene or result in any violation of the Articles of Incorporation or Bylaws of the Company, (b) require any consent, approval, license or exemption by, order or authorization of, or filing, recording or registration by the Company with any federal or state governmental authority (except as expressly contemplated by the Registration Rights Agreement), (c) violate any court order, judgment or decree, if any, applicable to or binding upon the Company or the Bank, (d) result in a breach of, or constitute a default under, any material contract to which the Company or the Bank is a party or by which any of their respective assets may be bound, or (e) violate or conflict with, or result in any contravention of, any federal, Louisiana or Louisiana law, rule or regulation applicable to the Company or the Bank.

6. The Shares have been duly and validly authorized and, when issued, delivered and paid for as contemplated in the Agreement, will be duly and validly issued, fully paid and non-assessable, and free of any preemptive right or similar rights contained in the Company's Articles of Incorporation or Bylaws.

7. The offer, sale and issuance of the Shares to the Purchaser in the manner contemplated by the Agreement, do not require registration under the Securities Act or any state securities or blue sky laws and was made pursuant to an exemption from registration afforded by Section 4(2) of the Securities Act and Regulation D promulgated thereunder.

8. Neither the Company nor any of its Subsidiaries is an "investment company" under the Investment Company Act of 1940, as amended.

C. Comments, Assumptions, Limitations, Qualifications and Exceptions.

The opinions expressed herein are based upon, and subject to, the further comments, assumptions, limitations, qualifications and exceptions set forth below.

1. We have assumed that (a) all factual information contained in all documents reviewed by us is true and correct, (b) all signatures on all documents reviewed by us are genuine, (c) all documents submitted as copies are true and complete copies of the originals thereof, (d) the Purchaser has all power and authority to execute, deliver, and perform its obligations under the Agreement and the Registration Rights Agreement, (e) the Agreement and the Registration Rights Agreement have been duly and validly authorized, executed, and delivered by the Purchaser, (f) the Agreement and the Registration Rights Agreement are valid and binding obligations of the Purchaser, enforceable against the Purchaser in accordance with their respective terms, (g) the Purchaser has delivered the

full Purchase Price for the Shares to be acquired pursuant to the Agreement, (h) each natural person signing any document reviewed by this firm had the legal capacity to do so, and (i) each person signing in a representative capacity for the Purchaser any document reviewed by this firm had authority to sign in such capacity.

2. With respect to factual matters relevant to our opinions, this firm has reviewed and relied solely upon the representations of the Company and the Purchaser made in the Agreement and in certificates of officers of the Company referred to in Section A above, and we have not undertaken to verify independently any of such factual matters, provided that nothing has come to our attention that caused us to believe such representations and certificates contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

3. In rendering the opinions set forth in Paragraph B.1 with respect to the good standing of the Company, we have relied solely on certificates of state authorities of the Company's good standing that this firm received in response to this firm's requests for confirmation of such good standing in such jurisdictions. In rendering the opinion set forth in Paragraph B.1 with respect to the registration of the Company as a financial holding company under the Bank Holding Company Act of 1956, as amended, we have relied solely on correspondence from the Federal Reserve Bank of Dallas received in response to this firm's request for confirmation of such registration and election of treatment. By necessity, our opinions set forth in Paragraphs B.1 are given as of the date of such certificates or correspondence. Nothing has come to our attention that would cause us to believe that such opinions have ceased to be valid as of the date of this opinion letter.

4. In rendering the opinion set forth in Paragraph B.4.(d), we have relied exclusively on our review of the Company's and the Bank's "material contracts" within the meaning of Item 60l(b)(10) of Regulation S-K promulgated by the Securities and Exchange Commission, that have been identified and disclosed to us by the Company and the Bank.

5. We express no opinion as to the laws of any jurisdiction other than the State of Louisiana and the federal laws of the United States of America. We express no opinion under the laws of the State of Louisiana or the federal laws of the United States of America with respect to any environmental, securities (other than as set forth in Paragraph B.6), tax or antitrust laws. We also express no opinion with respect to compliance by the Company or any other person with the Employee Retirement Income Security Act of 1974, or any comparable state laws.

6. Except as expressly set forth herein, we have made no independent investigation as to the accuracy or completeness of any representation, warranty, or other factual information, written or oral, made or furnished in connection with the documents referred to in Section A hereof, and no matters have come to our attention that would warrant such an investigation.

7. We have assumed that the parties to the Agreement have acted and will act in good faith.

8. Although we have acted as counsel to the Company in connection with certain matters other than the transactions contemplated by the Agreement, the Other Purchaser Agreements and the Registration Rights Agreement, our engagement is limited to certain matters about which we have been consulted. Consequently, there may exist matters of a factual or legal nature involving the Company as to which we have not been consulted and have not represented the Company.

9. This opinion is rendered based upon our interpretation of existing law, to the extent specified in Paragraph C.4, and is not intended to speak with reference to standards hereafter adopted or evolved in subsequent judicial decisions by courts. The opinions expressed herein are as of the date hereof, and we assume no obligation to update or supplement such opinions to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

10. This opinion letter is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein.

11. This opinion letter is delivered solely for your benefit, and no other party or entity is entitled to rely hereon without the express prior written consent of this firm.

Very truly yours,

[_____]

EXHIBIT C

Form of Secretary's Certificate

The undersigned hereby certifies that he is the duly elected, qualified and acting Corporate Secretary of Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** and that as such he is authorized to execute and deliver this certificate in the name and on behalf of the Company and in connection with the Securities Purchase Agreement, dated as of 2012, by and between the Company and the Purchaser party thereto (the **"Securities Purchase Agreement"),** and further certifies in her official capacity, in the name and on behalf of the Company, the items set forth below. Capitalized terms used but not otherwise defined herein will have the meaning set forth in the Securities Purchase Agreement.

1. Attached hereto as Exhibit A is a true, correct and complete copy of the resolutions duly adopted by the Board of Directors of the Company relating to the proposed transaction. Such resolutions have not in any way been amended, modified, revoked or rescinded, have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect.

2. Attached hereto as Exhibit B is a true, correct and complete copy of the Articles of Incorporation of the Company, together with all amendments thereto currently in effect, and no action has been taken to further amend, modify or repeal such Articles of Incorporation, the same being in full force and effect in the attached form as of the date hereof.

3. Attached hereto as Exhibit C is a true, correct and complete copy of the Bylaws of the Company, together with all amendments thereto currently in effect, and no action has been taken to further amend, modify or repeal such Bylaws, the same being in full force and effect in the attached form as of the date hereof.

4. Each person listed below has been duly elected or appointed to the position(s) indicated opposite his name and is duly authorized to sign the Securities Purchase Agreement and the related Registration Rights Agreement on behalf of the Company, and the signature appearing opposite such person's name below is such person's genuine signature.

Name	**Position**	**Signature**
Drake D. Mills	Chairman, President and CEO	_____

IN WITNESS WHEREOF, the undersigned has hereunto set his hand as of this ____ day of _____, 2012.

_____

Secretary

I, Drake D. Mills, Chairman, President and CEO, hereby certify that _____ is the duly elected, qualified and acting Secretary of the Company and that the signature set forth above is his true signature.

Drake D. Mills
Chairman, President and CEO

EXHIBIT D

Form of Officer's Certificate

The undersigned, the Chairman, President and CEO of Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** pursuant to Section 2.3(a)(vi) of the Securities Purchase Agreement, dated as of , 2012, by and between the Company and the Purchaser thereto (the **"Securities Purchase Agreement"),** hereby represents, warrants and certifies as follows (capitalized terms used but not otherwise defined herein shall have the meaning set forth in the Securities Purchase Agreement):

1. The representations and warranties of the Company contained in the Securities Purchase Agreement are true and correct as of the date when made and as of the Closing Date, as though made on and as of such date; except for such representations and warranties that speak as of a specific date.

2. The Company has performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Securities Purchase Agreement to be performed, satisfied or complied with by it at or prior to the Closing.

3. No Material Adverse Effect has occurred since the date of the Securities Purchase Agreement.

IN WITNESS WHEREOF, the undersigned has executed this certificate this ___ day of _____, 2012.

Drake D. Mills
Chairman, President and CEO

EXHIBIT E

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "**Agreement**") is made as of this ___ day of _____, 2012, by and among Community Trust Financial Corporation, a Louisiana corporation (the "**Company**"), the investors identified on the signature pages hereto and such other persons or entities that may become parties to this Agreement (collectively, the "**Holders**" and each individually a "**Holder**").

RECITALS

WHEREAS, the Company and the Holders are parties to certain Securities Purchase Agreements, dated as of the date hereof (the "**Securities Purchase Agreements**"), whereby the Holders have agreed to purchase and the Company has agreed to issue shares of the Company's common stock, par value $5.00 per share ("**Common Stock**"); and

WHEREAS, the Company and the Holders desire to be granted and to grant the rights created herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

(a) All capitalized terms used and not otherwise defined herein shall have the meanings given them in the Securities Purchase Agreements.

(b) "**Agreement**" has the meaning set forth in the Preamble.

(c) "**Beneficial Ownership**" by a Person of any securities includes ownership by any Person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares (i) voting power which includes the power to vote, or to direct the voting of, such security; and/or (ii) investment power which includes the power to dispose, or to direct the disposition, of such security; and shall otherwise be interpreted in accordance with the term "beneficial ownership" as defined in Rule 13d-3 adopted by the Commission under the Exchange Act. The term "Beneficially Own" shall have a correlative meaning.

(d) **"Business Day"** means any day other than a Saturday or a Sunday or a day on which Louisiana state banks are authorized or required by Law or executive order to close.

(e) "**Capital Stock**" means, with respect to any Person at any time, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of capital stock, securities convertible into or exchangeable or exerciseable for any of its shares, interests, participations or other equivalents, partnership interests (whether general or limited), limited liability company interests, or equivalent ownership interests in or issued by such Person.

(f) "**Commission**" shall mean the United States Securities and Exchange Commission, or any other federal agency at the time administering the Securities Act.

(g) "**Common Stock**" has the meaning set forth in the Recitals.

(h) "**Cutback Notice**" has the meaning set forth in Section 2(c).

(i) "**Demanding Holders**" has the meaning set forth in Section 2(a).

(j) "**Demanding Notice**" has the meaning set forth in Section 2(a).

(k) "**Demand Registration**" has the meaning set forth in Section 2(a).

(l) "**Demand Suspension**" has the meaning set forth in Section 6(b).

(m) "**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended, or any similar federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

(n) "**FINRA**" has the meaning set forth in Section 5(l).

(o) "**Holder(s)**" has the meaning set forth in the Preamble.

(p) "**Holder Indemnitees**" has the meaning set forth in Section 7(a).

(q) "**Indemnified Party**" has the meaning set forth in Section 7(b).

(r) "**Indemnifying Party(ies)**" has the meaning set forth in Section 7(b).

(s) "**Initial Public Offering**" means the first underwritten public offering of Common Stock (or Other Securities) to the general public through a Registration Statement filed with the Commission.

(t) "**Inspectors**" has the meaning set forth in Section 5(p).

(u) "**JOBS Act**" means the Jumpstart Our Business Startups Act of 2012.

(v) "**Law**" means any federal, state, local or foreign statute, ordinance, law, rule, regulation, order, judgment, decree, agency requirement or legal requirement (including federal and state securities laws.

(w) "**Losses**" has the meaning set forth in Section 7(a).

(x) "**Other Securities**" means shares of Common Stock or shares of other Capital Stock of the Company which are contractually entitled to registration rights or Capital Stock which the Company is registering pursuant to a registration statement.

(y) "**Person**" shall mean an individual, a corporation, a partnership, a limited liability company, a joint venture, a trust, an estate, an unincorporated organization, a government and any agency or political subdivision thereof.

(z) "**Piggyback Registration**" has the meaning set forth in Section 3(a).

(aa) "**Prospectus**" means the prospectus included in any Registration Statement (including a prospectus that discloses information previously omitted from a prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities (and if applicable, Other Securities) covered by such Registration Statement, any free writing prospectus related thereto, and all other amendments and supplements to such prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such prospectus.

(bb) "**Records**" has the meaning set forth in Section 5(p).

(cc) "**Registrable Securities**" shall mean (i) the Shares (as defined in the Securities Purchase Agreements) of Common Stock issued pursuant to the Securities Purchase Agreements; (ii) any shares of Common Stock acquired by the Holders in addition to those referred to in clause (i) after the date of this Agreement and prior to the date of an Initial Public Offering and (iii) any Other Securities issued to the Holders in respect of such Shares of Common Stock referred to in clauses (i) and (ii) (or Other Securities into which or for which such shares of Common Stock are so changed, converted or exchanged) upon any reclassification, share combination, share subdivision, share dividend, share exchange, merger, consolidation or similar transaction or event, provided that such shares of Common Stock and Other Securities (if any) shall cease to be Registrable Securities after they have been sold or transferred pursuant to an effective Registration Statement or pursuant to Rule 144 under the Securities Act or shall have ceased to be outstanding.

(dd) "**Registration Statement**" means any Registration Statement of the Company under the Securities Act which permits the public offering of any of the Registrable Securities (and, if applicable, Other Securities) pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all material incorporated by reference or deemed to be incorporated by reference in such Registration Statement.

(ee) "**Registration Expenses**" shall mean all expenses incurred in effecting the registrations provided for in this Agreement, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Company, underwriting expenses (other than fees, commissions or discounts), expenses of any Company audits incident to or required by any such registration and Company expenses of complying with the securities or blue sky laws of any jurisdictions, and fees and disbursements of all independent certified public accountants (including, without limitation, the expenses of any "cold comfort" letters required) and any other Persons, including special experts retained by the Company, and reasonable out-of-pocket expenses of the selling Holders, including without limitation, fees and disbursements of counsel for such Holders whose shares are included in a Registration Statement, which counsel shall be mutually selected by the Demanding Holders (in the case of a registration pursuant to Section 2) or by the Holders Beneficially Owning a majority of the Registrable Securities included on such Registration Statement.

(ff) "**Rule 144**" shall mean Rule 144 under the Securities Act or any successor rule thereto.

(gg) "**Securities Act**" shall mean the Securities Act of 1933, as amended, or any similar federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

(hh) "**Securities Purchase Agreement**" has the meaning the meaning set forth in the Recitals.

(ii) "**Shelf Registration Statement**" means a Registration Statement of the Company filed with the Commission for an offering to be made on a continuous or delayed basis pursuant to Rule 415 under the Securities Act covering Registrable Securities.

(jj) "**Shelf Take-Down Notice**" has the meaning set forth in Section 4(b).

(kk) "**Shelf Underwritten Offering**" has the meaning set forth in Section 4(b).

2. Demand Registrations.

(a) At any time (x) on or after December 31, 2015 one or more Holders Beneficially Owning Registrable Securities (A) representing at least fifteen percent (15%) of the then-outstanding shares of Registrable Securities or (B) that are reasonably expected to result in aggregate gross cash proceeds in excess of $50 million (without regard to any underwriting discount or commission), or (y) on or after the one hundred and eightieth (180th) day following the occurrence of an Initial Public Offering, such Holders (the "**Demanding Holders**") shall have the right, by delivering written notice to the Company (a "**Demand Notice**"), to require the Company to, pursuant to the terms of this Agreement, register under and in accordance with the provisions of the Securities Act the number of Registrable Securities Beneficially Owned by such Holders and requested by such Demand Notice to be so registered (a "**Demand Registration**") provided; however, that it shall be a condition to making a Demand Registration under clause (y) above that the aggregate offering price of the Registrable Securities to be registered by the Demanding Holders is at least $25,000,000. A Demand Notice shall also specify the expected method or methods of disposition of the applicable Registrable Securities. Upon receipt of such Demand Notice, the Company will notify all other Holders (other than the Demanding Holders) in writing and such other Holders shall have the right to request the Company to include all or a portion of such other Holders' Registrable Securities in such Demand Registration by written notice delivered to the Company within fifteen (15) calendar days after such notice is given by the Company.

(b) Following receipt of a Demand Notice, subject to Section 2(c), Section 4 and, Section 6 and Section 16(h), the Company will use its reasonable best efforts to file, as promptly as reasonably practicable (but not later than ninety (90) calendar days after receipt by the Company of such Demand Notice in the case of a registration made on Form S-1 or comparable successor form, as applicable, or sixty (60) calendar days in the case of any registration eligible to be made on Form S-3 or comparable successor form, as applicable), a Registration Statement relating to the offer and sale of the Registrable Securities requested to be included therein by the Holders thereof in accordance with the methods of distribution elected by such Demand Holders (to the extent not prohibited by applicable Law) and shall use its reasonable best efforts to cause such Registration Statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof (and in any event in accordance with Section 5), provided that if such Demand Notice relates to a Shelf Registration Statement, the provisions of Section 4 shall apply. The Holders shall have the right to request two (2) registrations per year pursuant to this Section 2. Demanding Holders holding at least a majority of the Registrable Securities held by the Demanding Holders shall have the right to notify the Company that they have determined that the Registration Statement and/or Shelf Registration Statement relating to a Demand Registration be abandoned or withdrawn, in which event the Company shall promptly abandon or withdraw such

Registration Statement and/or Shelf Registration Statement. In the event any registration attempted under this Section 2 pursuant to which the Company would be responsible for the Registration Expenses of the Holders is not consummated, then the Company shall pay such expenses and shall remain responsible for such expenses of the Holders with respect to two (2) consummated registrations per year made under this Section 2; provided, however, that if a registration attempted under this Section 2 is not consummated solely as a result of the withdrawal of the Holders requesting such registration, unless such Holders reimburse the Registration Expenses incurred by the Company, such Registration Statement shall count against the two (2) Registration Statements that the Company is required to a consummate per year. In any Demand Registration involving an underwritten offering, the investment banker or investment bankers and manager or managers that will administer the offering will be selected by the Demanding Holders, subject to approval of the Company not to be unreasonably withheld.

(c) A Registration Statement filed pursuant to a Demand Notice may include Other Securities; provided, however, that the Company and any other such requesting holders agree in writing to enter into an underwriting agreement with usual and customary terms and to any lock-up or similar limitations applicable to the Holders. Notwithstanding any other provisions of this Section 2, if the representative of the underwriters advises the Holders and the Company in writing (a "**Cutback Notice**") that it is their good faith opinion that the total number or dollar amount of Registrable Securities proposed to be sold in such offering, together with any Other Securities proposed to be included by holders thereof which are entitled to include securities in such Registration Statement, exceeds the total number or dollar amount of such securities that can be sold without having an adverse effect on the price, timing or distribution of the Registrable Securities to be so included together with all such Other Securities, then there shall be included in such underwritten offering the number or dollar amount of Registrable Securities and such Other Securities that in the opinion of such managing underwriter(s) can be sold without so adversely affecting such offering, and such number of Registrable Securities and Other Securities shall be allocated for inclusion as follows: (i) first, to the Holder(s) requesting inclusion in such registration, pro rata among such Holder(s) on the basis of the number of shares of Registrable Securities for which each such Holder has requested registration, (ii) second, to the Company for any securities it proposes to sell for its own account, and (iii) third, to the other holders requesting inclusion in the registration, pro rata among the respective holders thereof on the basis of the number of shares for which each such requesting holder has requested registration. If a Person who has requested inclusion in such registration as provided above does not agree to the terms of any such underwriting, such Person shall be excluded therefrom by written notice from the Company, the underwriter or the Holder(s). The securities so excluded shall also be withdrawn from registration. A registration shall not be counted as "consummated" for purposes of the two (2) registrations per year requirement if, as a result of a Cutback Notice, fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

(d) Except as provided in Section 2(b) with respect to withdrawn Registration statements, all Registration Expenses of the Holders incurred in connection with two (2) registrations per year requested pursuant to this Section 2 shall be borne by the Company.

3. "Piggy-Back" Registrations.

(a) Except with respect to a Demand Registration, the procedures of which are addressed in Section 2, if, at any time, the Company intends to file a registration statement under the Securities Act covering a primary or secondary offering of any of its Common Stock or Other Securities, whether or not the sale for its own account which is not a registration solely to implement an employee benefit plan pursuant to a registration statement on Form S-8, a registration statement on Form S-4 (or successor form) or a transaction to which Rule 145 or any other similar rule of the Commission is applicable, the Company will promptly (and in any event at least twenty (20) calendar days before the anticipated filing date) give written notice to the Holders of its intention to effect such a registration. Subject to Section 3(b) below and consultation with the underwriters, the Company will effect the registration under the Securities Act of all Registrable Securities that the Holder(s) request(s) be included in such registration (a "**Piggyback Registration**") by a written notice delivered to the Company within fifteen (15) calendar days after the notice given by the Company in the preceding sentence. The Holders agree that any securities they request to be included in a Company registration pursuant to this Section 3 shall be included by the Company on the same form of Registration Statement as has been selected by the Company for the securities the Company is registering for sale referred to above. The Holders shall be permitted to withdraw all or part of the Registrable Securities from the Piggyback Registration at any time at least two (2) Business Days prior to the effective date of the Registration Statement relating to such Piggyback Registration.

(b) If the registration involves an underwritten offering and the representative of the underwriters provides the Company and the other Holders seeking to include securities in such offering in writing a Cutback Notice, then the number of Registrable Securities and Other Securities sought to be included in such registration shall be allocated for inclusion as follows: (i) if such registration is being effected by the Company, (A) first, to the Company for any securities it proposes to sell for its own account, (B) second, to the Holder(s) requesting inclusion in such registration, pro rata among such Holder(s) on the basis of the number of shares of Registrable Securities for which each such Holder has requested registration, and (C) third, to the other holders requesting inclusion in the registration, pro rata among the respective holders thereof on the basis of the number of Other Securities for which each such requesting holder has requested registration; and (ii) if such registration is being effected by a Person other than the Company or the Holders, in accordance with Section 2(c) above.

(c) If the Company elects to terminate any registration filed under this Section 3 prior to the effectiveness of such registration, the Company will have no obligation to register the securities sought to be included by the Holders in such registration under this Section 3. All the Registration Expenses incurred in connection with any registration, qualification or compliance hereunder shall be borne by the Company. Without limiting the foregoing, the Company shall bear its internal expenses (including all salaries and expenses of their officers and employees performing legal, accounting or other duties) and expenses of any person, including special experts, retained by the Company. If the Company includes in such registration any securities to be offered by it, all Registration Expenses of the Holders will be borne by the Company. There shall be no limit to the number of Piggybank Registrations pursuant to this Section 3.

4. Shelf Take-Downs.

(a) The Company shall use reasonable best efforts to qualify for registration on a Shelf Registration Statement on Form S-3 as promptly as possible following the occurrence of the Initial Public Offering. Without limiting the foregoing, once the Company is eligible to effect a registration of its securities on a Shelf Registration Statement (including on Form S-1), any Holder will have the right to elect in the Demand Notice for any Demand Registration to be made on a Shelf Registration Statement, in which event the Company shall file with the Commission, as promptly as reasonably practicable, but not later than forty (45) calendar days after receipt by the Company of such Demand Notice (subject to Section 6), a Shelf Registration Statement relating to the offer and sale of the Registrable Securities requested to be included therein by the Holders thereof from time to time in accordance with the methods of distribution elected by such Holders (to the extent not prohibited by applicable Law) and shall use its reasonable best efforts to cause such Shelf Registration Statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof. Upon receipt of such Demand Notice, the Company will notify all other Holders (other than the Demanding Holders) in writing and such other Holders shall have the right to request the Company to include all or a portion of such other Holders' Registrable Securities in such Demand Registration by written notice delivered to the Company within fifteen (15) days after such notice is given by the Company.

(b) At any time that a Shelf Registration Statement covering Registrable Securities pursuant to Section 2 or Section 3 is effective, if a Holder delivers a notice to the Company (a "**Shelf Take-Down Notice**") stating that one or more of the Holders intends to effect an underwritten offering of all or part of the Registrable Securities included by the Holders on the Shelf Registration Statement (a "**Shelf Underwritten Offering**") and stating the number of the Registrable Securities to be included in such Shelf Underwritten Offering, then the Company shall amend or supplement the Shelf Registration Statement as may be necessary in order to enable such Registrable Securities to be distributed pursuant to the Shelf Underwritten Offering (taking into account the inclusion of Other Securities by any other holders).

(c) The Company shall deliver the Shelf Take-Down Notice to all other Holders whose securities are included on such Shelf Registration Statement and permit each Holder to include its Registrable Securities included on the Shelf Registration Statement in the Shelf Underwritten Offering if such other Holder notifies the Company within five (5) Business Days after delivery of the Shelf Take-Down Notice to such other Holder.

(d) If a Shelf Underwritten Offering is being conducted and the representative of the underwriters provides the Company and the other holders seeking to include securities in such offering in writing a Cutback Notice, then the number of Registrable Securities and Other Securities sought to be included in such Shelf Underwritten Offering shall be allocated for inclusion in accordance with Section 2(c).

(e) All Registration Expenses incurred in connection with such registration requested pursuant to this Section 4 shall be borne by the Company.

5. Procedure for Registration. Whenever the Company is required under this Agreement to register Registrable Securities, it agrees to do the following:

(a) prepare and file with the Commission a Registration Statement or Registration Statements on such form which shall be available for the sale of the Registrable Securities by the Holders or the Company in accordance with the intended method or methods of distribution thereof and use its commercially reasonable efforts to keep such Registration Statement continuously effective for one hundred eighty (180) calendar days (and, with respect to Shelf Registration Statements, for up to two (2) years each, if requested by the Holders selling Registrable Securities to complete the proposed distribution; upon the occurrence of any event that would cause the Registration Statement or the Prospectus contained therein to contain a material misstatement or omission, the Company shall file promptly an appropriate amendment to such Registration Statement correcting any such misstatement or omission;

(b) cause the Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 under the Securities Act, and to comply fully with the applicable provisions of Rules 424 and 430A under the Securities Act in a timely manner; and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the sellers thereof set forth in such Registration Statement or supplement to the Prospectus;

(c) advise the underwriter(s), if any, and selling Holders promptly and, if requested by such Persons, to confirm such advice in writing, (i) when the Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to the Registration Statement or any post-effective amendment thereto, when the same has become effective, (ii) of any request by the Commission for amendments to the Registration Statement or amendments or supplements to the Prospectus or for additional information relating thereto, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement under the Securities Act or of the suspension by any state securities commission of the qualification of the Registrable Securities for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes, or (iv) of the existence of any fact or the happening of any event that makes any statement of a material fact made in the Registration Statement, the Prospectus, any amendment or supplement thereto, or any document incorporated by reference therein untrue, or that requires the making of any additions to or changes in the Registration Statement or the Prospectus in order to make the statements therein not misleading (provided that such notice shall not include specific information about any such fact or event if that information would constitute material non-public information about the Company). If at any time the Commission shall issue any stop order suspending the effectiveness of the Registration Statement or any state securities commission or other regulatory authority shall issue an order suspending the qualification or exemption from qualification of the Registrable Securities under state securities or blue sky laws, the Company shall use its reasonable best efforts to obtain the withdrawal or lifting of such order at the earliest possible time;

(d) before filing a Registration Statement or Prospectus or any amendments or supplements thereto (including documents that would be incorporated or deemed to be incorporated therein by reference), furnish to each of the selling Holders, their counsel and each of the underwriter(s), if any, at least five (5) Business Days before filing with the Commission, copies of the Registration Statement or any Prospectus included therein or any amendments or supplements to any such Registration Statement or Prospectus (including all documents incorporated by reference after the initial filing of such Registration Statement), which documents will be subject to the reasonable review and comment, and such other documents reasonably requested and the Company will consult with the selling Holders of Registrable Securities covered by such Registration Statement, their counsel and the underwriter(s), if any, prior to the filing of such Registration Statement or Prospectus and provide such Persons reasonable opportunity to participate in the preparation of such Registration Statement and each Prospectus included therein. The Company will not file any such Registration Statement or Prospectus or any amendments or supplements thereto (including such documents that, upon filing, would be incorporated or deemed to be incorporated by reference therein) with respect to a Demand Registration to which any Holder, its counsel, or the managing underwriter(s), if any, shall reasonably object, in writing, on a timely basis, unless, in the opinion of the Company, such filing is necessary to comply with applicable Law;

(e) if requested by any selling Holder or the underwriter(s), if any, incorporate in the Registration Statement or Prospectus, pursuant to a supplement or post-effective amendment if necessary, such information as such selling Holder and underwriter(s), if any, may reasonably request to have included therein, with respect to the number of Registrable Securities being sold by such Holder, the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering and make all required filings of such Prospectus

supplement or post-effective amendment as soon as practicable after the Company is notified of the matters to be incorporated in such Prospectus supplement or post-effective amendment;

(f) (i) deliver promptly to the selling Holders copies of all correspondence between the Commission and the Company, its counsel or auditors including any comment and response letters with respect to the Registration Statement; provided that the Company shall not provide information to the selling Holders that the Company believes could constitute material non-public information, and (ii) if requested by selling Holders, keep such selling Holders informed with respect to the substance of any discussions with the Commission or its staff regarding the Registration Statement;

(g) furnish to each selling Holder and each of the underwriter(s), if any, without charge, at least one copy of the Registration Statement, as first filed with the Commission, and of each amendment thereto, including all documents incorporated by reference therein and all exhibits (including exhibits incorporated therein by reference);

(h) deliver to each selling Holder and each of the underwriter(s), if any, without charge, as many copies of the Prospectus (including each preliminary Prospectus) and any amendment or supplement thereto as such Persons reasonably may request; the Company hereby consents to the use of the Prospectus and any amendment or supplement thereto by each of the selling Holders and each of the underwriter(s), if any, in connection with the offering and the sale of the Registrable Securities covered by the Prospectus or any amendment or supplement thereto;

(i) prior to any public offering of Registrable Securities, the Company shall use its reasonable best efforts to register or qualify the Registrable Securities under the securities or blue sky laws of such jurisdictions as the selling Holders or underwriter(s), if any, may reasonably request and do any and all other acts or things reasonably necessary or advisable to enable the disposition in such jurisdictions of the Registrable Securities covered by the Registration Statement; provided, however, that the Company shall not be required to register or qualify as a foreign corporation where it is not now so qualified or to take any action that would subject it to the service of process in suits or to taxation, other than as to matters and transactions relating to the Registration Statement, in any jurisdiction where it is not now so subject;

(j) cooperate with the selling Holders and the underwriter(s), if any, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends; and enable such Registrable Securities to be in such denominations and registered in such names as the Holders or the underwriter(s), if any, may request prior to any sale of Registrable Securities made by such underwriter(s);

(k) if any fact or event contemplated by Section 5(c)(iv) above shall exist or have occurred, promptly prepare a supplement or post-effective amendment to the Registration Statement or related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of Registrable Securities, the Prospectus will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading;

(l) cooperate and assist in any filings required to be made with the Financial Industry Regulatory Authority ("**FINRA**") and in the performance of any due diligence investigation by any underwriter (including any "qualified independent underwriter") that is required to be retained in accordance with the rules and regulations of the FINRA;

(m) otherwise use its reasonable efforts to comply with all applicable rules and regulations of the Commission, and make generally available to its security holders, as soon as practicable, a consolidated earnings statement meeting the requirements of the Securities Act and Rule 158 thereunder (which need not be audited) for the twelve-month period (i) commencing at the end of any fiscal quarter in which Registrable Securities are sold to underwriters in a firm or best efforts underwritten offering, or (ii) if not sold to underwriters in such an offering, beginning with the first month of the Company's first fiscal quarter commencing after the effective date of the Registration Statement;

(n) prior to the effective date of the Registration Statement relating to the Registrable Securities, provide a CUSIP number for the Registrable Securities;

(o) enter into such customary agreements (including an underwriting agreement in customary form) and take all such other actions reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith or by the managing underwriter(s), if any, in order to expedite or facilitate the

disposition of such Registrable Securities, and in connection therewith, whether or not an underwriting agreement is entered into and whether or not the registration is an underwritten registration, (i) make such representations and warranties to the selling Holders and the managing underwriter(s), if any, with respect to the business of the Company and its subsidiaries, and the Registration Statement, Prospectus and documents, if any, incorporated or deemed to be incorporated by reference therein, in each case, in form, substance and scope as are customarily made by issuers in underwritten offerings, and, if true, confirm the same if and when requested, (ii) use its reasonable best efforts to furnish to the selling Holders of such Registrable Securities opinions of counsel to the Company and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the managing underwriter(s), if any, and counsels to the selling Holders of the Registrable Securities), addressed to each selling Holder of Registrable Securities and each of the managing underwriter(s), if any, covering the matters customarily covered in opinions requested in underwritten offerings as may be reasonably requested by such counsel and managing underwriter(s), (iii) use its reasonable best efforts to obtain "cold comfort" letters and updates thereof from the independent certified public accountants of the Company (and, if necessary, any other independent certified public accountants of any subsidiary of the Company or of any business acquired by the Company for which financial statements and financial data are, or are required to be, included in the Registration Statement) who have certified the financial statements included in such Registration Statement, addressed to each selling Holder of Registrable Securities (unless such accountants shall be prohibited from so addressing such letters by applicable standards of the accounting profession) and each of the managing underwriter(s), if any, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with underwritten offerings, (iv) if an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures substantially to the effect set forth in Section 7 hereof with respect to all parties to be indemnified pursuant to said Section 7 except as otherwise agreed by the Holders of a majority of the Registrable Securities being sold in connection therewith and the managing underwriter(s) and (v) deliver such documents and certificates as may be reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith, their counsel and the managing underwriter(s), if any, to evidence the continued validity of the representations and warranties made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company. The above shall be done at each closing under such underwriting or similar agreement, or as and to the extent required thereunder;

(p) make available for inspection by any Holder of Registrable Securities included in such Registration Statement, any underwriter participating in any disposition pursuant to such Registration Statement, and any attorney, accountant or other agent retained by any such seller or underwriter (collectively, the "**Inspectors**"), all financial and other records, pertinent corporate documents and properties of the Company and its Subsidiaries (collectively, the "**Records**"), as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors and employees to supply all information reasonably requested by any such Inspector in connection with such Registration Statement; provided, however, that records that the Company determines, in good faith, to be confidential and which it notifies the Inspectors are confidential shall not be disclosed by the Inspectors unless (i) the disclosure of such Records is necessary to avoid or correct a misstatement or omission in the Registration Statement, or (ii) the release of such Records is ordered pursuant to a subpoena or other order from a court of competent jurisdiction; provided, further, that each Holder of Registrable Securities agrees that it will, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, give notice to the Company to the extent legally permitted and allow the Company, at its expense, to undertake appropriate action and to prevent disclosure of the Records deemed confidential;

(q) provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by such Registration Statement not later than the effective date of such Registration Statement;

(r) use its reasonable best efforts to cause all Registrable Securities covered by such Registration Statement to be listed on a national securities exchange or interdealer quotation system (or, if similar Company securities are already authorized to be listed on more than one national securities exchange or interdealer quotation system, on each such exchange or system on which similar securities issued by the Company are then listed); and

(s) in the case of an underwritten offering, cause its officers to use their reasonable best efforts to support the marketing of the Registrable Securities covered by the Registration Statement (including, without limitation, by participation in "road shows") taking into account the Company's business needs.

6. Lock-Up Agreement; Suspension of Sales.

(a) Subject to Section 6(b), the Company may postpone the filing or effectiveness of any Registration Statement required under Sections 2 or 4 for a reasonable period of time, not to exceed sixty (60) calendar days, if (i) the Company has been advised by legal counsel that such filing would require the disclosure of a material non-public fact, and (ii) the Company determines reasonably and in good faith that such disclosure would be materially harmful to the Company or would have a material adverse effect on a bona fide business or financing transaction of the Company.

(b) If (i) pursuant to the good faith judgment of the Company's Board of Directors, the Company concludes, as a result of its determinations under Section 6(a), that it is essential to defer the filing or effectiveness of such Registration Statement at such time, and (ii) the Company shall furnish to the Holders a certificate signed by the President of the Company (a "**Demand Suspension**"), certifying as to the Board of Directors' determinations under Section 6(a) and that it is, therefore, essential to defer the filing or effectiveness of such Registration Statement or amendment (which certificate shall approximate the anticipated delay), then the Company shall have the right to defer such filing or effectiveness for a period of not more than ninety (90) calendar days after receipt of the request of the Holders; provided, however, that the Company shall not defer its obligation in this manner more than once in any twelve (12)-month period. In the case of any Demand Suspension relating to the suspension of an effective Shelf Registration Statement, (i) the Company shall, within the ninety (90)-day period specified above, prepare a supplement or post-effective amendment to the Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, or file any other required document so that the selling Holders may resume use thereof in accordance with applicable Law and (ii) the selling Holders agree to suspend the use of the applicable Prospectus in connection with any sale or purchase, or offer to sell or purchase, Registrable Securities, upon receipt of any such certificate imposing a Demand Suspension until the earlier of the termination of the ninety (90)-day period specified above and the date on which the Company complies with clause (i) of this sentence.

(c) The Company agrees (i) not to effect or initiate a registration statement for any public sale or distribution of any securities similar to those being registered, or any securities convertible into or exchangeable or exercisable for such securities, during the fourteen (14) calendar days prior to, and during the ninety (90) calendar-day period beginning on, the effective date of any Registration Statement in which the Holders of Registrable Securities are participating (except as part of such registration), and (ii) that any agreement entered into on or after the date of this Agreement pursuant to which the Company issues or agrees to issue any privately placed securities shall contain a provision under which Holders of such securities agree not to effect any public sale or distribution of any such securities during the periods described in clause (i) above, in each case including a sale pursuant to Rule 144 under the Act (except as part of any such registration, if permitted).

(d) Each Holder of Registrable Securities agrees that, upon receipt of notice from the Company of the occurrence of any event of the kind described in Section 5(c)(ii-iv), such Holder will forthwith discontinue disposition of such Registrable Securities following the effective date of a Registration Statement covering such Registrable Securities until such Holder's receipt of copies of the Prospectus supplement and/or post-effective amendment contemplated by Section 5(k), or until it is advised in writing by the Company that the use of the applicable Prospectus may be resumed and, in either case, has received copies of any additional or supplemental filings that are incorporate or deemed to be incorporated by reference in such Prospectus or Registration Statement.

7. Indemnification.

(a) The Company agrees to indemnify and hold harmless each Holder and its partners (limited and general), members, shareholders, directors, officers, employees and agents and each Person, if any, who controls any Holder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and the partners (limited and general), members, shareholders, directors, officers, employees and agents of each such controlling Person and each underwriter, if any, and each Person, if any, who controls such underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively, "**Holder Indemnitees**"), from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, costs of preparation and reasonable attorneys' fees and any legal or other fees or expenses incurred by such party in connection with any investigation, action, suit or proceeding) and expenses, judgments, fines, penalties, charges and amounts paid in settlement (collectively, "**Losses**"), as incurred, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or in any preliminary or final Prospectus contained therein, any document incorporated by reference therein or free writing Prospectus related thereto) or any other offering circular,

amendment of or supplement to any of the foregoing or other document incident to any such registration, qualification, or compliance, or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or of the Exchange Act in connection with any such registration, qualification, or compliance, except insofar as such Losses arise out of or are based upon any untrue statement or omission or alleged untrue statement or omission which has been made therein or omitted therefrom in reliance upon and in conformity with the information relating to such Holder furnished in writing to the Company by such Holder expressly for use in connection therewith. The foregoing indemnity agreement shall be in addition to any liability which the Company may otherwise have.

(b) Each Holder, severally and not jointly, agrees to indemnify and hold harmless the Company, and its directors and officers, and any Person who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all Losses, as incurred, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or in any preliminary or final Prospectus contained therein, any document incorporated by reference therein or free writing Prospectus related thereto) or any other offering circular, amendment of or supplement to any of the foregoing or other document incident to any such registration, qualification, or compliance, or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or of the Exchange Act in connection with any such registration, qualification, or compliance, but only (i) in connection with a registration in which such Holder is participating by registering Registrable Securities and (ii) with respect to any untrue statement or omission or alleged untrue statement or omission which has been made therein or omitted therefrom in reliance upon and in conformity with the information relating to such Holder furnished in writing to the Company by such Holder expressly for use in connection therewith. In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) If any Person shall be entitled to indemnity hereunder (an "**Indemnified Party**"), such Indemnified Party shall promptly notify the party or parties from which such indemnity is sought (collectively the "**Indemnifying Parties**" and each an "**Indemnifying Party**") of any claim or of the commencement of any action, suit or proceeding with respect to which such Indemnified Party seeks indemnification or contribution pursuant hereto and such Indemnifying Parties shall have the right, upon written notice to the Indemnified Party and upon agreeing in writing, subject to the limitations and other provisions set forth in this Agreement, that it shall indemnify the Indemnified Party with respect to such action, suit or proceeding, to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and payment of all fees and expenses; provided, however, that failure or delay to so notify an Indemnifying Party shall not relieve such Indemnifying Party from any liability unless and to the extent it is materially and adversely prejudiced as a result of such failure or delay (as finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review)). The Indemnified Party shall have the right to employ separate counsel in any such action, suit or proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party unless (i) the Indemnifying Parties have agreed in writing to pay such fees and expenses, (ii) the Indemnifying Parties have failed to assume promptly the defense and employ counsel, or (iii) the named parties to any such action, suit or proceeding (including any impleaded parties) include both the Indemnified Party and the Indemnifying Parties and the Indemnified Party shall have been advised in writing by its counsel that representation of such Indemnified Party and any Indemnifying Party by the same counsel would be inappropriate under applicable standards of professional conduct (whether or not such representation by the same counsel has been proposed) due to actual or potential differing interests between them (in which case the Indemnifying Party shall not have the right to assume the defense of such action, suit or proceeding on behalf of the Indemnified Party). It is understood, however, that the Indemnifying Parties shall, in connection with any one such action, suit or proceeding or separate but substantially similar or related actions, suits or proceedings in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate firm of attorneys (in addition to any local counsel) at any time for the Indemnified Parties not having actual or potential differing interests with the Indemnified Parties or among themselves, which firm shall be designated in writing by the Indemnified Parties, and that all such fees and expenses shall be reimbursed as they are incurred. The Indemnifying Parties shall not be liable for any settlement of any such action, suit or proceeding effected without their written consent (not to be unreasonably withheld or delayed), but if settled with such written consent, or if there be a final judgment for the plaintiff in any such action, suit or proceeding, the Indemnifying Parties agree to indemnify and hold harmless the Indemnified Party, to the extent provided herein, from and against any Losses by reason of such settlement or judgment; *provided* that in the event the Indemnifying

Party has not (i) assumed the defense in such action, suit or proceeding, and (ii) agreed in writing that it shall indemnify the Indemnified Party with respect to such action, suit or proceeding, nothing set forth herein shall prohibit the Indemnified Party from effecting a settlement of such action, suit or proceeding and initiating a claim for indemnification hereunder against the Indemnifying Party following such settlement.

(d) If the indemnification provided for in this Section 7 is unavailable (except if inapplicable according to its terms) to an Indemnified Party under Section 7(a) or Section 7(b) hereof in respect of any Losses referred to therein, then an Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, in connection with the statements or omissions that resulted in such Losses, as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) The Company and the Holders agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by a *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 7(d) above. The amount paid or payable by an Indemnified Party as a result of the Losses referred to in Section 7(d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating any claim or defending any such action, suit or proceeding. Notwithstanding the provisions of this Section 7, no Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the net proceeds received by it in connection with the sale of the Registrable Securities subject to the action, suit or proceeding exceeds the amount of any damages which such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(f) The indemnity and contribution agreements contained in this Section 7 and the representations and warranties of the Company set forth in this Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any of the Holders or any Person controlling the Holders, the Company, its directors or officers or any Person controlling the Company. A successor to any Holder Indemnitee, or to the Company, its directors or officers or any Person controlling the Company shall be entitled to the benefits of the indemnity, contribution and reimbursement agreements contained in this Section 7.

(g) No Indemnifying Party shall, without the prior written consent of the Indemnified Party, consent to entry of any judgment or effect any settlement of any pending or threatened action, suit or proceeding in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement (i) includes an unconditional release, in form and substance reasonably satisfactory to the Indemnified Party, of such Indemnified Party from all liability on claims that are the subject matter of such action, suit or proceeding, (ii) ascribes no fault on the part of such Indemnified Party and (iii) provides for solely monetary relief.

(h) Notwithstanding anything in this Agreement to the contrary, all parties to this Agreement hereby agree to abide by all applicable state and federal laws regarding indemnification payments to banking institutions, including, but not limited to, 12 C.F.R. Part 359.

8. Rule 144 Requirements. If the Company becomes subject to the reporting requirements of the Exchange Act, the Company will timely file with the Commission such reports and information required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Commission thereunder and as the Commission may require. The Company shall furnish to any Holder of Registrable Securities forthwith upon request a written statement as to its compliance with the reporting requirements of Rule 144 (or any successor exemptive rule), the Securities Act and the Exchange Act (at any time that it is subject to such reporting requirements); a copy of its most recent annual or quarterly report; and such other reports and documents as such Person may reasonably request in availing itself of any rule or regulation of the Commission allowing it to sell any such securities without registration.

9. Obligations of Holders and Others in a Registration. Each Holder agrees to timely furnish such information regarding such Person and the securities sought to be registered and to take such other action as the Company may reasonably request in connection with the registration, qualification or compliance. The Company may exclude from any Registration Statement any Holder that timely fails to comply with the provisions of the preceding sentence. If the registration involves an underwriter, each Holder agrees to enter into an underwriting agreement with such underwriters containing usual and customary terms and provisions. The Holders agree not to affect the sale of securities under any Registration Statement until they have received a Prospectus (including by accessing a Prospectus filed with the Commission), as needed, and notice of the effectiveness of the Registration Statement of which the Prospectus forms a part.

10. Rule 144A. The Company agrees that, upon the request of any Holder of Registrable Securities or any prospective purchaser of Registrable Securities designated by a Holder, the Company shall promptly provide (but in any case within fifteen (15) calendar days of a request) to such Holder or potential purchaser, the following information:

(a) a brief statement of the nature of the business of the Company and any subsidiaries and the products and services they offer;

(b) the most recent consolidated balance sheets and profit and losses and retained earnings statements, and similar financial statements of the Company for the two (2) most recent fiscal years (such financial information shall be audited, to the extent reasonably available); and

(c) such other information about the Company, any subsidiaries, and their business, financial condition and results of operations as the requesting Holder or purchaser of such Registrable Securities shall request in order to comply with Rule 144A, as amended, and in connection therewith the anti-fraud provisions of the federal and state securities laws.

The Company hereby represents and warrants to any such requesting Holder and any prospective purchaser of Registrable Securities from such Holder that the information provided by the Company pursuant to this Section 10 will, as of their dates, not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

11. Limitations on Subsequent Registration Rights. The Company will not, without the prior written consent of the Holder or Holders of at least a two-thirds of the then outstanding Registrable Securities, enter into any agreements with any holder or prospective holder of any securities of the Company which would grant such holder or prospective holder registration rights with respect to the securities of the Company which would have priority over the Registrable Securities with respect to the inclusion of such securities in any registration. If the Company enters into an agreement that contains terms more favorable, in form or substance, to any shareholders than the terms provided to the Holders under this Agreement, then the Company will modify or revise the terms of this Agreement in order to reflect any such more favorable terms for the benefit of the Holders Shareholders.

12. Consent to be Bound. Each subsequent Holder of Registrable Securities must consent in writing to be bound by the terms and conditions of this Agreement in order to acquire the rights granted pursuant to this Agreement.

13. Assignability of Registration Rights. Subject to Section 12 hereof, the registration rights set forth in this Agreement are assignable to each assignee as to each share of Registrable Securities conveyed in accordance herewith who agrees in writing to be bound by the terms and conditions of this Agreement.

14. Amendment, Termination and Waiver. Except as otherwise provided herein, no amendment, modification, termination or cancellation of this Agreement shall be effective unless made in a writing signed by the Company and the Holders of at least two-thirds of the then outstanding Registrable Securities.

15. Specific Performance. The Company and the Holders agree that the rights created by this Agreement are unique, and that the loss of any such right is not susceptible to monetary quantification. Consequently, the parties agree that an action for specific performance (including for temporary and/or permanent injunctive relief) of the obligations created by this Agreement is a proper remedy for the breach of the provisions of this Agreement, without the necessity of proving actual damages. If the parties hereto are forced to institute legal proceedings to enforce their rights in accordance with the provisions of this Agreement, the prevailing party shall be entitled to recover its reasonable expenses, including attorneys' fees, in connection with any such action.

16. Miscellaneous.

(a) Unless otherwise specified herein, all notices, requests, instructions and other communications required or permitted to be given under this Agreement after the date of this Agreement by any party hereto to any other party may be delivered personally or by nationally recognized overnight courier service or sent by mail or by facsimile transmission, at the respective addresses or transmission numbers set forth below and is deemed delivered (a) in the case of personal delivery or facsimile transmission or electronic mail, when received; (b) in the case of mail, upon the earlier of actual receipt or five (5) Business Days after deposit in the United States Postal Service, first class certified or registered mail, postage prepaid, return receipt requested; and (c) in the case of an overnight courier service, one (1) Business Day after delivery to such courier service with instructions for overnight delivery. The parties may change their respective addresses and transmission numbers by written notice to all other parties, sent as provided in this Section. All communications must be in writing and addressed as follows:

If to the Company, to:

Community Trust Financial Corporation
1511 N. Trenton Street
Ruston, Louisiana 71270
Attention: Drake D. Mills
Telephone:
Facsimile:

With a copy (which will not constitute notice), to:

Jones, Walker, Waechter, Poitevent, Carrère & Denègre L.L.P.
190 E. Capitol St.
Jackson, Mississippi
Attention: J. Andrew Gipson
Telephone: (601) 949-4789
Fax: (601) 949-4804

If to any Holder, to:

the address, facsimile number or electronic mail address set forth next to such Holder's name on the signature page hereto (which address, facsimile number or electronic mail address may be changed by the Holder by notice provided to the Company); provided that any notices or communications to any Holder shall be sent only to the Person or department, as applicable, at the Holder set forth on such Holder's signature page, and the Company shall not send notices or communications to any other Person on behalf of any Holder without the prior written consent of such Person or a member of such department, as applicable.

(b) THIS AGREEMENT IS TO BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF LOUISIANA, WITHOUT REGARD FOR THE PROVISIONS THEREOF REGARDING CHOICE OF LAW. The parties hereto irrevocably consent to the jurisdiction of the courts of the State of Louisiana and of any federal court located in such state in connection with any action or proceeding arising out of or relating to this Agreement. VENUE FOR ANY CAUSE OF ACTION ARISING FROM THIS AGREEMENT WILL LIE IN RUSTON, LOUISIANA.

(c) This Agreement and the Securities Purchase Agreement constitute the full and entire understanding and agreement between the parties regarding the matters set forth herein and therein. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon the successors, assigns, heirs, executors and administrators of the parties hereto. This Agreement is not assignable or transferable by the Company without the prior written consent of Holders of at least a two-thirds of the then outstanding Registrable Securities, and Company transfers without the applicable consent are void *ab initio*. In the event of any inconsistency between this Agreement and the Securities Purchase Agreement and any other agreement entered into by the Company and any Holder, this Agreement shall control.

(d) No failure or delay of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof

or the exercise of any other right, power or privilege. No waiver of any party to this Agreement will be effective unless it is in a writing signed by a duly-authorized officer of the waiving party that makes express reference to the provision or provisions subject to such waiver.

(e) This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(f) Subject to Section 7 and Section 13 hereof, none of the provisions of this Agreement shall be for the benefit of, or enforceable by, any third party beneficiary.

(g) The headings in this Agreement are inserted only as a matter of convenience, and in no way define, limit, or extend or interpret the scope of this Agreement or of any particular section of this Agreement.

(h) If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall attach only to such provision and shall not in any manner affect or render illegal, invalid or unenforceable any other provision of this Agreement, and this Agreement shall be carried out as if any such illegal, invalid or unenforceable provision were not contained herein.

(i) Nothing in this Agreement shall limit or prevent the Company from utilizing or electing to take advantage of any of the rights and privileges available to an "emerging growth company," as such term is defined in the JOBS Act, including, but not limited to, the confidential filing of a Registration Statement on Form S-1. In addition, for purposes of this Agreement, if the Company receives a Demand Notice, the confidential filing of a Registration Statement on Form S-1 with the SEC as permitted under the JOBS Act shall satisfy the requirements of Section 2(b) of this Agreement if such Registration Statement is filed with the SEC on a confidential basis in accordance with the requirements of that section.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
[SIGNATURE PAGE FOR COMPANY FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Registration Rights Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

COMMUNITY TRUST FINANCIAL CORPORATION

By: _____

Drake D. Mills
Chairman, President and CEO

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
[SIGNATURE PAGE FOR HOLDERS FOLLOW]

HOLDER:

By: _____

Name: _____

Title: _____

Address: _____

_____

_____

Attention: _____

Telephone: _____

Telecopy: _____

Email Address: _____

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement **("Agreement")** is dated as of November 9, 2012, by and between Community Trust Financial Corporation, a Louisiana corporation **("Company")** and BANC FUND VIII, L.P., an Illinois limited partnership (**"Purchaser").**

RECITALS

A. The authorized capital stock of the Company consists of (i) 50,000,000 shares of common stock, $5.00 par value per share **("Common Stock"),** of which 6,616,565 shares are issued and 6,612,196 shares outstanding, and (ii) 1,000,000 shares of preferred stock **("Preferred Stock"),** no par value per share, of which 48,260 are issued and outstanding.

B. The Company desires to issue and sell to the Purchaser, and the Purchaser desires to purchase from the Company, in a private offering of the Company's capital stock **("Private Placement")** that is exempt from registration under Section 4(2) of the Securities Act of 1933, as amended (the **"Securities Act"),** and Rule 506 of Regulation D **("Regulation D")** promulgated by the Securities and Exchange Commission **("Commission")** under the Securities Act, an aggregate of 229,730 shares of Common Stock at an aggregate purchase price equal to $8,500,010. The Private Placement shall include the sale of additional shares of Common Stock and shares of Nonvoting Preferred Stock to other accredited investors in the Private Placement (the **"Other Purchasers"),** with the closing of such sales to occur simultaneously with the Closing. The sales to the Other Purchasers will be made pursuant to separate securities purchase agreements with the Other Purchasers (the **"Other Purchase Agreements").**

C. The Company has engaged Stephens Inc. as its exclusive placement agent (the **"Placement Agent")** for the Private Placement.

D. Contemporaneously with the execution and delivery of this Agreement, the parties hereto are executing and delivering a Registration Rights Agreement, substantially in the form attached hereto as Exhibit E (the **"Registration Rights Agreement"** and, together with this Agreement and the Other Purchase Agreements, the **"Transaction Documents"),** pursuant to which, among other things, the Company will agree to provide certain registration rights with respect to the Shares under the Securities Act and the rules and regulations promulgated thereunder and applicable state securities laws.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and Purchaser hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms shall have the meanings indicated in this Section 1.1:

"Action" means any inquiry, notice of violation or Proceeding pending or, to the Company's Knowledge, threatened in writing against the Company, any Subsidiary or any of their respective properties or any officer, director or employee of the Company or any Subsidiary acting in his or her capacity as an officer, director or employee before or by any Governmental Authority.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, is controlled by or is under common control with such Person.

"Agency" has the meaning set forth in Section 3.1(gg).

"Agreement" has the meaning set forth in the Preamble.

"Approved Share Plan" means (i) any employee benefit plan which has been approved by the Board of Directors prior to or subsequent to the date hereof pursuant to which standard options to purchase Common Stock (and Common Stock issuable upon exercise thereof) or shares of restricted Common Stock may be issued to any employee, officer, consultants or director for services provided to the Company or any of its Subsidiaries in their capacity as such, or (ii) any current or future Company- or Bank- sponsored rabbi trust that has been created for the purpose of supporting the nonqualified benefit obligations of the Company and its Subsidiaries.

"Audited Financial Statements" has the meaning set forth in Section 3.l(i).

"Bank" means Community Trust Bank, a Louisiana state bank and wholly-owned Subsidiary of the Company.

"Bank Regulatory Authorities" has the meaning set forth in Section 3 .1 (b)(ii).

"BHC Act" has the meaning set forth in Section 3.1(b)(ii).

"BHC Act Control" has the meaning set forth in Section 3.1(rr).

"Board of Directors" means the Board of Directors of the Company.

"Burdensome Condition" has the meaning set forth in Section 5.l(g).

"**Business Day**" means any day other than a Saturday or a Sunday or a day on which Louisiana state banks are authorized or required by Law or executive order to close.

"**CIBC Act**" means the Change in Bank Control Act of 1978, as amended.

"**Closing**" means the closing of the purchase and sale of the Shares pursuant to this Agreement.

"**Closing Date**" means the date of the Closing.

"**Code**" means the Internal Revenue Code of 1986, as amended, including the regulations and published interpretations thereunder.

"**Commission**" has the meaning set forth in the Recitals.

"**Common Stock**" has the meaning set forth in the Recitals.

"**Company**" has the meaning set forth in the Preamble.

"**Company Counsel**" means Jones, Walker, Waechter, Poitevent, Carrére & Denégre L.L.P.

"**Company Deliverables**" has the meaning set forth in Section 2.3(a).

"**Company Reports**" has the meaning set forth in Section 3.l(h).

"**Company Securities**" means the Common Stock, preferred stock (including Nonvoting Preferred Stock), any other equity or equity-linked security issued by the Company and securities, options, warrants or other rights convertible into or exercisable or exchangeable (or entitling the holder thereof to subscribe for) for Common Stock or preferred stock or any other equity or equity-linked security issued by the Company.

"**Company's Knowledge**" means, with respect to any statement made to the knowledge of the Company, that the statement is based upon the actual knowledge, after reasonable inquiry, of any of the following executive officers of the Company: Chief Executive Officer, Chief Financial Officer, Chief Risk Officer or Chief Operating Officer.

"**Confidential Information**" means information about the Company and its Subsidiaries provided to the Purchaser by the Company, the Bank or their Representatives, including, without limitation, the information provided to the Purchaser pursuant to Section 4.6 hereof, except that "Confidential Information" does not include

any information that (i) was publicly available prior to the date of this Agreement or hereafter becomes publicly available without any violation of this Agreement by the Purchaser or any of its Representatives, (ii) was available to the Purchaser or its Representatives on a non-confidential basis prior to its disclosure to the Purchaser or its Representatives by the Company, the Bank or their Representatives or (iii) becomes available to the Purchaser or it Representatives from a Person other than the Company, the Bank or their Representatives who is not, to the Purchaser's or its Representative's knowledge, subject to any legally binding obligation to keep such information confidential.

"Constituent Documents" means, with respect to any entity, its articles or certificate of incorporation, bylaws, and any similar charter or other organizational documents of such entity.

"Control" (including the terms "controlling", "controlled by" or "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Environmental Laws" has the meaning set forth in Section 3.1(1).

"ERISA" has the meaning set forth in Section 3.1(ii).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Expedited Issuance" has the meaning set forth in Section 4.14(g).

"FDIC" has the meaning set forth in Section 3.l(b)(ii).

"Federal Reserve" has the meaning set forth in Section 3.1(b)(ii).

"Financial Statements" has the meaning set forth in Section 3.1(i).

"Fundamental Representations" means the Company's representations and warranties set forth in Sections 3.l(b)(i), 3.l(c), 3.l(f), 3.l(g), 3.l(i) and 3.l(nn).

"GAAP" means U.S. generally accepted accounting principles consistently applied over the period involved.

"Governmental Authority" means any federal, state, county, local or foreign court, arbitrator, governmental or administrative agency, bureau, commission, regulatory authority, stock market, stock exchange or trading facility.

"Indemnification Claim" has the meaning set forth in Section 4.7(b).

"Indemnified Person" has the meaning set forth in Section 4.7(a).

"Insurer" has the meaning set forth in Section 3.1(gg).

"**Intellectual Property**" has the meaning set forth in Section 3.l(r).

"**IPO**" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

"**Issuance Notice**" has the meaning set forth in Section 4.14(b).

"**Law**" has the meaning set forth in Section 3.1(d).

"**Legend Removal Date**" has the meaning set forth in Section 4.2(c).

"**Lien**" means any lien, mortgage, deed of trust, pledge, conditional sale agreement, restriction on transfer, charge, claim, encumbrance, security interest, right of first refusal, preemptive right or other restriction of any kind.

"**Loan Investor**" has the meaning set forth in Section 3.1(gg).

"**Losses**" has the meaning set forth in Section 4.7(a).

"**Material Adverse Effect**" means any event, circumstance, change or occurrence that has had, or would reasonably be expected to have, (i) an adverse effect on the legality, validity or enforceability of this Agreement, (ii) a material and adverse effect on the operations, results of operations, assets, liabilities, properties, business, condition (financial or otherwise) or prospects of the Company and the Subsidiaries, taken as a whole, or (iii) any adverse impairment to the Company's ability to perform in any material respect on a timely basis its obligations under this Agreement.

"**Material Contract**" means any contract of the Company that is material to the condition (financial or otherwise), results of operations, assets, liabilities, properties, business, prospects or operations of the Company.

"**Material Permits**" has the meaning set forth in Section 3.1(p).

"**Money Laundering Laws**" has the meaning set forth in Section 3.1(pp).

"New Securities" has the meaning set forth in Section 4.14(a).

"**OFAC**" has the meaning set forth in Section 3.1(aa).

"**OFI**" has the meaning set forth in Section 3.1(b)(ii).

"**Other Purchase Agreements**" has the meaning set forth in the Recitals.

"**Other Purchasers"** has the meaning set forth in the Recitals.

"**Outside Date**" has the meaning set forth in Section 2.2.

"**Person**" means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, Governmental Authority or any other form of entity or group (as defined in Section 13(d)(3) of the Exchange Act) not specifically listed herein.

"**Placement Agent**" has the meaning set forth in the Recitals.

"**Preferred Stock**" has the meaning set forth in the Recitals.

"**Private Placement**" has the meaning set forth in the Recitals.

"**Proceeding**" means a civil, criminal or administrative action, claim, litigation, suit, arbitration, hearing, investigation or other proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"**Purchase Price**" has the meaning set forth in Section 2.1.

"**Purchaser**" has the meaning set forth in the Preamble.

"**Purchaser Deliverables**" has the meaning set forth in Section 2.3(b).

"**Registration Rights Agreement**" has the meaning set forth in the Recitals.

"**Regulation D**" has the meaning set forth in the Recitals.

"**Regulatory Agreement**" has the meaning set forth in Section 3.1(dd).

"**Representatives**" of any Person means the Affiliates, officers, directors, employees, members, managers, partners, attorneys, accountants, financial advisors and other agents, advisors and representatives of such Person.

"**Required Filings**" has the meaning set forth in Section 3.1(e).

"**Rule 144**" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Shares**" means the Common Stock purchased by the Purchaser under this Agreement.

"**Statutory Representations**" means the Company's representations and warranties set forth in Sections 3.1(j), 3.1(l) and 3.1(ii).

"**Stock Certificates**" has the meaning set forth in Section 2.3(a)(i).

"**Subscription Amount**" has the meaning set forth in Section 2.1.

"**Subsidiary**" means any Person in which the Company, directly or indirectly, owns or Controls sufficient capital stock, equity or a similar interest such that it is consolidated with the Company in the financial statements of the Company.

"**Subsidiary Securities**" means any shares of capital stock or other equity securities of any Subsidiary of the Company, any options, warrants or other rights to acquire any shares of capital stock or other equity securities of any Subsidiary of the Company and any other securities convertible into or exercisable or exchangeable for (or entitling the holder thereof to subscribe for) any shares of capital stock or other equity securities of any Subsidiary of the Company.

"**Tax**" or "**Taxes**" means (i) any federal, state, local or foreign income, gross receipts, property, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or add on minimum, ad valorem, transfer or excise tax, or any other tax, custom, duty, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty, imposed by any Governmental Authority and (ii) any liability in respect of any items described in clause (i) above payable by reason of contract, assumption, transferee or successor liability, operation of law, Treasury Regulations Section l.1502-6(a) (or any predecessor or successor thereof or analogous or similar provisions of Law) or otherwise.

"**Tax Return**" means any return, declaration, report or similar statement required to be filed with respect to any Tax (including any attached schedules), including, without limitation, any information return, claim for refund, amended return or declaration of estimated Tax.

"**Third Party Claim**" has the meaning set forth in Section 4.7(b).

"**Transfer Agent"** means Wells Fargo Shareowner Services, St. Paul, Minnesota, in its capacity as transfer agent for the Company, or any successor transfer agent for the Company.

"**Transaction Documents**" has the meaning set forth in the Preamble.

"**Treasury**" means the U.S. Department of the Treasury.

"**Unaudited Financial Statements**" has the meaning set forth in Section 3.1(i).

ARTICLE II

PURCHASE AND SALE

2.1 Purchase and Sale of the Shares. On the terms and subject to the conditions set forth in this Agreement, at the Closing, the Company agrees to issue, sell, convey and transfer to the Purchaser, and the Purchaser agrees to purchase from the Company, for its own account, free and clear of all Liens, 229,730 Shares of Common Stock. The purchase price for the Shares will be $37.00 per Share **("Purchase Price"),** and the aggregate Purchase Price for the Shares will be equal to $8,500,010 **("Subscription Amount").**

2.2 Closing. Unless this Agreement has been terminated in accordance with Section 6.13, the Closing of the purchase and sale of the Shares will take place, simultaneously with the closing of the sale of shares of Common Stock to the Other Purchasers pursuant to the Other Purchase Agreements, at a time and date as shall be agreed upon by the parties hereto, but in no event later than the third (3rd) Business Day following the date on which the conditions to the Closing set forth in this Agreement shall have been satisfied or waived (other than those conditions that by their nature are to be satisfied at the Closing, but subject to fulfillment of waiver of those conditions), remotely by facsimile or electronic transmission or by such other means and at such location as the parties may mutually agree. The Company and the Purchaser agree to use all reasonable best efforts to cause the Closing to take place on or prior to December 31, 2012 (the "Outside Date"). In the event the Closing does not take place on or prior to the Outside Date, this Agreement may be terminated with no further obligation or liability by either party hereto in accordance with Section 6.13(a)(ii); provided, however, that if the Closing does not take place on or prior to the Outside Date solely by reason of nonsatisfaction of the condition set forth in Section 5.l(i)(2), then any party may elect to extend the Outside Date until January 31, 2013 by providing written notice to the other party on or not more than three (3) Business Days prior to December 31, 2012 (and such extended date shall be the "Outside Date." Subject to the satisfaction or waiver of the conditions set forth in Sections 5.1 and 5.2, on the Closing Date, the Company will deliver to the Purchaser the Shares against payment by the Purchaser, by wire transfer of immediately available U.S. funds in accordance with the wire instructions delivered in writing to the Purchaser not later than two (2) Business Days prior to the Closing Date, equal to the Subscription Amount to a bank account designated by the Company.

2.3 Closing Deliveries.

(a) At or prior to the Closing, the Company will issue, deliver or cause to be delivered to the Purchaser the following **("Company Deliverables"):**

(i) this Agreement, duly executed by the Company;

(ii) stock certificate, free and clear of all restrictive and other legends (except as expressly provided in Section 4.2(b)), evidencing the Shares, registered in the name of each Purchaser in the number of Shares to be allocated to each Purchaser or as otherwise set forth on the Purchaser's Stock Certificate Questionnaire included as Exhibit A hereto **("Stock Certificates");**

(iii) a legal opinion of Company Counsel, dated as of the Closing Date, in substantially the form attached hereto as Exhibit B, executed by such counsel and addressed to the Purchaser, which opinion shall be identical in all material respects to any opinion that may be delivered to the Other Purchasers as part of the Private Placement;

(iv) the Registration Rights Agreement, duly executed by the Company;

(v) a certificate of the Secretary of the Company, in the form attached hereto as Exhibit C, dated as of the Closing Date, (a) certifying the resolutions adopted by the Board of Directors approving the transactions contemplated by the Transaction Documents, including the issuance of the Shares under this Agreement and the shares of Common Stock under the Other Purchase Agreements, (b) certifying the current versions of the Constituent Documents of the Company, and (c) certifying as to the signatures and authority of the individuals signing the Transaction Documents and related documents on behalf of the Company;

(vi) a certificate of the Chief Executive Officer of the Company, in substantially the form attached hereto as Exhibit D, dated as of the Closing Date, certifying to the fulfillment of the conditions specified in Sections 5.l(a), 5.l(b) and 5.l(j); and

(vii) a Certificate of Good Standing and a Certificate of Existence for the Company from the Louisiana Secretary of State dated as of a recent date.

(b) At or prior to the Closing, the Purchaser will deliver or cause to be delivered to the Company the following **("Purchaser Deliverables"):**

(i) this Agreement, duly executed by such Purchaser;

(ii) the Subscription Amount, in U.S. dollars and in immediately available funds, by wire transfer in accordance with the Company's written instructions;

(iii) the Registration Rights Agreement, duly executed by such Purchaser; and

(iv) a fully completed Stock Certificate Questionnaire in the form attached hereto as Exhibit A.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. The Company hereby represents and warrants as of the date hereof and as of the Closing Date (except for the representations and warranties that speak as of a specific date, which are made as of such date) to the Purchaser that:

(a) Subsidiaries. The Company has no direct or indirect Subsidiaries or equity interest in any other Person other than as set forth on Schedule 3.1(a). The Company owns, directly or indirectly, all of the capital stock or comparable equity interests of each Subsidiary free and clear of any and all Liens, and all the issued and outstanding shares of capital stock or comparable equity interests of each Subsidiary are validly issued and are fully paid, nonassessable (except to the extent that stock of an Louisiana state bank may be assessable under La R.S. 6:262) and free of preemptive and similar rights to subscribe for or purchase securities.

(b) Organization and Qualification; Bank Regulations.

(i) Each of the Company and its Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization (as applicable), with the requisite power and authority to own or lease and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any of its Subsidiaries is in violation of any of the provisions of their respective Constituent Documents. Each of the Company and its Subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, has not had and would not reasonably be expected to have a Material Adverse Effect.

(ii) The Company is duly registered as a bank holding company under the Bank Holding Company Act of 1956, as amended (the **"BHC Act").** The Company has also made an election to become and is a financial holding company pursuant to Section 4(k) and (1) of the BHC Act. The Bank holds the requisite authority from the Louisiana Office of Financial Institutions (the **"OFI")** to do business as an Louisiana state bank under the Laws of the State of Louisiana. The Company and its Subsidiaries are in compliance with all Laws administered by the Board of Governors of the Federal Reserve System (the **"Federal Reserve"),** the Federal Deposit Insurance Corporation (the **"FDIC"),** the OFI and any other

federal or state bank regulatory authorities (together with the OFI, the Federal Reserve and the FDIC, the **"Bank Regulatory Authorities")** with jurisdiction over the Company and its Subsidiaries, except for any noncompliance that, individually or in the aggregate, has not had and would not be reasonably expected to have a Material Adverse Effect. The deposit accounts of the Bank are insured up to applicable limits by the FDIC, and all premiums and assessments required to be paid in connection therewith have been paid when due; and no proceedings for the termination or revocation of deposit insurance are pending or, to the Company's Knowledge, threatened. The Bank has the full power and authority to own or lease all of the assets or properties owned or leased by it and to conduct its business in all material respects.

(c) Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and to consummate the transactions contemplated hereby and thereby, and otherwise to carry out its obligations hereunder and thereunder, including, without limitation, to issue the Shares in accordance with the terms hereof. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement, and the consummation by the Company of the transactions contemplated hereby and thereby (including, but not limited to, the sale and delivery of the Shares), have been duly authorized by all necessary corporate action on the part of the Company and its Board of Directors, and no further corporate action is required by the Company, its Board of Directors or its shareholders in connection therewith, other than in connection with the Required Filings. This Agreement and the Registration Rights Agreement have been duly and validly executed by the Company, and assuming the due authorization, execution and delivery of this Agreement and the Registration Rights Agreement by the Purchaser, will constitute the legal, valid and binding obligation of the Company enforceable against it in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, liquidation or similar Laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application; (ii) as limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies; and (iii) insofar as indemnification and contribution provisions may be limited by applicable Law. There are no shareholder agreements, voting agreements, voting trust agreements or similar agreements with respect to the Company's capital stock to which the Company is a party or, to the Company's Knowledge, between or among any of the Company's shareholders, and no such agreements are currently contemplated.

(d) No Conflicts. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Shares) do not and will not (i) conflict with or violate the Constituent Documents of the Company or any Subsidiary; (ii) result in the creation or imposition of any Lien on the Shares or any of the assets or properties of the Company or any Subsidiary; (iii) conflict with, violate or constitute a default (or an event which with notice or lapse of time or both would become a default) or result in the loss of a benefit under, or give to any other Person any right of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any Subsidiary is a party; or (iv) conflict with, violate or constitute a default (or an event which with notice or lapse of time or both would become a default) or result in the loss of a benefit under any federal, state, local or foreign statute, ordinance, law, rule, regulation, order, judgment, decree, agency requirement or legal requirement (including federal and state securities laws) (each, a **"Law")** applicable to the Company or any Subsidiary, except in the case of clauses (iii) and (iv) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(e) Filings, Consents and Approvals. The execution, delivery and performance by the Company of this Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the transactions contemplated hereby and thereby will not require any action by, or in respect of, or filing with, any federal, state, local or other Governmental Authority, self-regulatory organization or other Person, other than (i) the filing of a Notice of Exempt Offering of Securities on Form D with the Commission under Regulation D of the Securities Act, and (ii) the requisite filings under state securities Laws to qualify the offering of Shares for exemptions from securities registration (collectively, the **"Required Filings");** and (iii) the filing of a registration statement and such other notices and filings as maybe required pursuant to the Registration Rights Agreement.

(f) Issuance of the Shares. The Shares have been duly authorized and, when issued and delivered in accordance with the terms of this Agreement, against payment of the Subscription Amount, will be duly

authorized by all necessary corporate action, duly and validly issued, fully paid, non-assessable, free and clear of all Liens (other than restrictions on transfer provided for in this Agreement or imposed by applicable securities Laws), and free of any preemptive or similar rights.

(g) Capitalization. As of the date hereof, the authorized capital stock of the Company consists of (i) 50,000,000 shares of Common Stock, of which 6,616,565 shares are issued and 6,612,196 shares outstanding as of the date hereof, and (ii) 1,000,000 shares of Preferred Stock, of which 48,260 are issued and outstanding as of the date hereof. Such shares of Preferred Stock have been designated as Senior Noncumulative Perpetual Preferred Stock, Series C, and were issued to the Treasury on July 6, 2011 in connection with the Company's participation in the Treasury's Small Business Lending Fund Program. Immediately following consummation of the Private Placement and the issuance of additional shares of Common Stock pursuant thereto, the Shares acquired by the Purchaser pursuant to this Agreement will represent not more than 9.99% of the issued and outstanding shares of Common Stock. All of the issued and outstanding shares of capital stock of the Company have been, and upon consummation of the Private Placement will be, duly authorized and validly issued and are, and upon consummation of the Private Placement will be, fully paid, non-assessable and free of Liens, with no personal liability attaching to the ownership thereof, have been, and upon consummation of the Private Placement will be, issued in compliance in all material respects with all applicable federal and state securities Laws, and none of such shares of capital stock has been, or upon consummation of the Private Placement will be, issued in violation of any preemptive rights or similar rights to subscribe for or purchase any capital stock of the Company. As of the date hereof, there are (i) 232,642 outstanding stock options (the **"Company Stock Options")** issued as nonqualified stock options pursuant to individual employment or other agreements with a weighted average exercise price equal to $24.19 per share and (ii) 700,000 shares of Common Stock remaining available for issuance under the Company's 2012 Stock Incentive Plan (the **"Company Plan").** Each Company Stock Option (i) was granted in compliance with all applicable Laws and all of the terms and conditions of the individual employment or other agreements, and, to the extent issued under the Company Plan, in compliance with the Company Plan, (ii) has an exercise price per share of Common Stock equal to or greater than the fair market value of a share of Common Stock on the date of such grant and (iii) has a grant date identical to or following the date on which the Board of Directors or compensation committee of the Board of Directors actually awarded such Company Stock Option. As of the date hereof, other than the shares of Common Stock reserved under the Company Plan, no shares of Common Stock or Preferred Stock are reserved for issuance. Neither the Company nor any of its officers, directors or employees is a party to any right of first refusal, tight of first offer, proxy, voting agreement, voting trust, registration rights agreement or shareholders agreement with respect to the sale or voting of any securities of the Company. Except as disclosed on Schedule 3.l(g), (i) none of the capital stock of the Company is subject to preemptive rights or any other similar rights; (ii) there are no outstanding options or other equity-based awards, warrants, scrip, rights to subscribe to, calls, agreements, arrangements or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, or evidencing the right to subscribe for, purchase or receive any shares of capital stock of the Company or any Subsidiary, (iii) there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of capital stock of the Company or any Subsidiary or options or other equity-based awards, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, or evidencing the right to subscribe for, purchase or receive any shares of capital stock of the Company or any Subsidiary; (iv) there are no material outstanding debt securities, notes, credit agreements, credit facilities or other agreements, arrangements, commitments, documents or instruments evidencing indebtedness of the Company or any Subsidiary or by which the Company or any Subsidiary is bound, other than credit agreements or facilities entered into by the Bank in the ordinary course of its business; (v) there are no agreements, commitments, understandings or arrangements under which the Company or any Subsidiary is obligated to register the sale of any of the securities of the Company or any Subsidiary under the Securities Act (except pursuant to the Registration Rights Agreement); (vi) there are no outstanding securities or instruments, agreements, commitments, understandings or arrangements of the Company or any Subsidiary that contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to sell, transfer, dispose, repurchase or redeem a security of the Company or any Subsidiary; (vii) there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Shares; (viii) the Company does not have any stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement; and (ix) neither the Company nor any Subsidiary has any liabilities or obligations not

disclosed on the Company's Financial Statements or disclosed in the notes thereto, which, individually or in the aggregate, will have or would reasonably be expected to have a Material Adverse Effect.

(2) Immediately following the consummation of the Private Placement and assuming no exercises of Company Stock Options prior to Closing, (i) 8,504,088 shares of Common Stock and (ii) 453,666 shares of Preferred Stock (including 405,406 shares of Nonvoting Preferred Stock) will be outstanding as set forth on Schedule 3.l(g).

(h) Reports, Registrations and Statements. Since January 1, 2010, the Company and its Subsidiaries have filed all material reports, registrations and statements, together with any required amendments thereto, that they were required to file with the Bank Regulatory Authorities and any other applicable foreign, federal or state securities or banking authorities, including, without limitation, all financial statements and financial information required to be filed by it under the Federal Deposit Insurance Act and the BHC Act, and have paid all fees and assessments due and payable in connection therewith. All such reports, registrations and statements filed with any such regulatory body or authority are collectively referred to herein as the **"Company Reports."** All such Company Reports were filed on a timely basis or the Company or its Subsidiaries, as applicable, received a valid extension of such time of filing and has filed any such Company Reports prior to the expiration of any such extension. As of their respective dates, the Company Reports complied in all material respects with all the rules and regulations promulgated by the Bank Regulatory Authorities and any other applicable foreign, federal or state securities or banking authorities, as the case may be.

(i) Financial Statements. The audited consolidated balance sheets of the Company and its Subsidiaries as of December 31, 2010 and December 31, 2011 and the related audited consolidated statements of income, shareholders' equity and cash flows for the year then ended (the **"Audited Financial Statements")** and the unaudited consolidated balance sheets of the Company and its Subsidiaries as of June 30, 2012 and the related unaudited consolidated statements of income for the periods then ended (the **"Unaudited Financial Statements,"** and collectively with the Audited Financial Statements, the **"Financial Statements"),** have been delivered to Purchaser prior to the date hereof. The Financial Statements have been prepared from, and are in accordance with, the books and records of the Company and the Subsidiaries. The Financial Statements comply in all material respects with applicable accounting requirements and the rules and regulations of the applicable Government Authority with respect thereto as in effect at the time of filing. The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis during the periods involved, except as may be otherwise specified in such Financial Statements or the notes thereto and except that the Unaudited Financial Statements may not contain all footnotes required by GAAP. The Financial Statements fairly present in all material respects the results of operations and changes in shareholders' equity and the consolidated financial position of the Company and its Subsidiaries taken as a whole (in each case to the extent such items are presented in such Financial Statements) as of and for the dates thereof and for the periods then ended (as applicable), subject, in the case of the Unaudited Financial Statements, to normal, year-end audit adjustments, which would not be material, either individually or in the aggregate.

(j) Tax Matters. Each of the Company and its Subsidiaries (i) has prepared and timely filed all foreign, federal and state income and all other Tax Returns and all such Tax Returns were complete and correct in all material respects; (ii) has paid all Taxes and other governmental assessments and charges that are material in amount, whether or not shown or determined to be due on such Tax Returns, except those being contested in good faith, with respect to which adequate reserves have been set aside on the books of the Company in accordance with GAAP; (iii) has set aside on its books provisions reasonably adequate for the payment of all Taxes for periods subsequent to the periods to which such returns, reports or declarations apply, (iv) is not subject to any outstanding audit, assessment, dispute or claim concerning any material Tax liability of the Company or any of its Subsidiaries either within the Company's Knowledge or claimed, pending or raised by an authority in writing; (v) is not a party to, bound by or otherwise subject to any obligation under any Tax sharing or Tax indemnity agreement or similar contract or arrangement; (vi) has not participated in a "listed transaction" within the meaning of Treasury Regulation Section 1.6011- 4(b)(2); (vii) does not have any liability for Taxes of any Person arising from the application of Treasury Regulation Section 1.1502-6 or any analogous provision of state, local or foreign Law, or as a transferee or successor, by contract, or otherwise; (viii) has timely withheld, collected or deposited as the case may be all material Taxes (determined both individually and in the aggregate) required to be withheld, collected or deposited by it, and to the extent required, have been paid to the relevant taxing authority in accordance with applicable Law; and (ix) have complied with all applicable information reporting requirements in all material respects.

(k) Material Changes. Since December 31, 2011, except as disclosed on Schedule 3.1(k), (i) there have been no events, circumstances, changes, occurrences or developments that have had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect; (ii) the Company has not incurred

any material liabilities (contingent or otherwise) other than (A) trade payables, accrued expenses and other liabilities incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Financial Statements pursuant to GAAP; (iii) the Company has not altered materially its method of accounting or the manner in which it keeps its accounting books and records; (iv) the Company has not declared or made any dividend or distribution of cash or other property to its shareholders or purchased, redeemed or made any agreement, arrangement, commitment or understanding to purchase or redeem any shares of its capital stock; (v) the Company has not issued any equity securities to any officer, director or Affiliate; (vi) there has not been any material change or amendment to, or any waiver of any material right by the Company under, any Material Contract under which the Company or any of its Subsidiaries is bound or subject; (vii) to the Company's Knowledge, there has not been a material increase in the aggregate dollar amount of: (A) the Bank's nonperforming loans (including nonaccrual loans and loans ninety (90) days or more past due and still accruing interest) or (B) the reserves or allowances established on the Company's or Bank's financial statements with respect thereto; and (viii) there has not been any material damage, destruction, or other casualty loss with respect to any material asset or property owned, leased, or otherwise used by the Company or any Subsidiary, whether or not covered by insurance.

(l) Environmental Matters. Neither the Company nor any Subsidiary (i) is in violation of any Law relating to the use, disposal or release of hazardous or toxic substances or relating to the protection or restoration of the environment or human exposure to hazardous or toxic substances (collectively, **"Environmental Laws");** (ii) owns or operates any real property contaminated with any substance that is in violation of any Environmental Laws; (iii) is liable for any off-site disposal or contamination pursuant to any Environmental Laws; or (iv) is subject to any claim relating to any Environmental Laws; in each case, which violation, contamination, liability or claim has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; and, to the Company's Knowledge, there is no pending or threatened investigation that might lead to such a claim.

(m) Litigation. Except as disclosed on Schedule 3.l(m), there is no Action that (i) adversely affects or challenges the legality, validity or enforceability of this Agreement or the transactions contemplated hereby (including the issuance of the Shares hereunder) or (ii) has had or would reasonably be expected to have a Material Adverse Effect, individually or in the aggregate, if there was an unfavorable decision, and neither the Company nor any of its Subsidiaries has any material liabilities or obligations of any nature (absolute, accrued, contingent, or otherwise) which are not appropriately reflected or reserved against in the Financial Statements to the extent required to be so reflected or reserved against in accordance with GAAP, except for liabilities that have arisen since June 30, 2012, in the ordinary course of business consistent with past practice. Neither the Company nor any Subsidiary, nor any director or officer thereof, is or has been the subject of any Action involving a claim of violation of or liability under federal or state securities Laws or a claim of breach of fiduciary duty. There has not been, and to the Company's Knowledge there is not pending or contemplated, any investigation by any Governmental Authority involving the Company or any current or former director or officer of the Company. Except as disclosed on Schedule 3.1(m), there are no outstanding orders, judgments, injunctions, awards or decrees of any Governmental Authority against the Company or any executive officers or directors of the Company in their capacities as such which, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect.

(n) Employment Matters. Employees of the Company and its Subsidiaries are not and have never been represented by any labor union nor are any collective bargaining agreements otherwise in effect with respect to such employees. No labor organization or group of employees of the Company or any Subsidiary has made a pending demand for recognition or certification, and there are no representation or certification proceedings or petitions seeking a representation proceeding presently pending or, to the Company's Knowledge, threatened to be brought or filed with the National Labor Relations Board or any other labor relations tribunal or authority. There are no organizing activities, strikes, work stoppages, slowdowns, lockouts, arbitrations or grievances, or other labor disputes pending or, to the Company's Knowledge, threatened against or involving the Company or any Subsidiary. To the Company's Knowledge, no executive officer is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement or noncompetition agreement, or any other contract or agreement or any restrictive covenant in favor of a third party, and the continued employment of each such executive officer does not subject the Company or any Subsidiary to any material liability with respect to any of the foregoing matters. The Company and each Subsidiary is in compliance in all material respects with all U.S. federal, state, local and foreign Laws and regulations relating to employment and fair employment practices, immigration, terms and

conditions of employment, compensation, benefits, employment discrimination and harassment, workers compensation, occupational safety and health, and wages and hours. Neither

the Company nor any Subsidiary is a party to or otherwise bound by any consent decree with or citation by any Governmental Authority relating to employees or employment practices. As of the date of this Agreement, no material employee has given notice to the Company or any of its Subsidiaries of his or her intent to terminate his or her employment or service relationship with the Company or any of its Subsidiaries.

(o) Compliance. The Company and its Subsidiaries are in material compliance with all Laws of any Governmental Authority applicable to their respective businesses or operations. Neither the Company nor any Subsidiary (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any Subsidiary under), nor has the Company or any Subsidiary received written notice of a claim that it is in default under or that it is in violation of, any Material Contract (whether or not such default or violation has been waived); (ii) is in violation of any order of any Governmental Authority having jurisdiction over the Company, any Subsidiary or their respective properties or assets; or (iii) is in violation of, or in receipt of written notice that it is in violation of, any Law of any Governmental Authority or self-regulatory organization applicable to the Company or any Subsidiary, except in each case as has not had or would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(p) Regulatory Permits. The Company and each of its Subsidiaries possess all certificates, authorizations, consents, licenses, franchises, variances, exemptions, orders, approvals and permits issued by the appropriate Governmental Authorities necessary to conduct their respective businesses as currently conducted, except where the failure to possess such permits, individually or in the aggregate, has not and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect **("Material Permits"),** and (i) neither the Company nor any Subsidiary has received any notice in writing of Actions relating to the revocation or material adverse modification of any such Material Permits and (ii) the Company is unaware of any facts or circumstances that would give rise to the suspension, revocation or material adverse modification of any Material Permits.

(q) Title to Assets. Each of the Company and its Subsidiaries has good and marketable title to all real property and tangible personal property owned by it that is material to the business of the Company and its Subsidiaries, taken as a whole, in each case free and clear of all Liens except such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company or such Subsidiary, as applicable. Any real property and facilities held under lease by the Company or any of its Subsidiaries is held by such party under a valid, subsisting and enforceable lease with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and facilities by the Company or such Subsidiary, as applicable. There is not, under any such lease, any existing default by the Company or any such Subsidiary or any event which, with notice or lapse of time or both, would constitute such default. None of the owned or leased premises or properties of the Company or any of its Subsidiaries is subject to any current or, to the Company's Knowledge, potential interests of third parties or other restrictions or limitations that would impair or be inconsistent in any material respect with the current use of such property by the Company or any of its Subsidiaries, as the case may be.

(r) Intellectual Property; Privacy. Except as disclosed on Schedule 3.l(r), each of the Company and its Subsidiaries owns, possesses, licenses or has other rights to use all foreign and domestic patents, patent applications, trade and service marks, trade and service mark registrations, brand names, trade names, copyrights, designs, inventions, trade secrets, technology, Internet domain names, know-how and other intellectual property (collectively, the **"Intellectual Property"),** free and clear of all Liens and third party rights, necessary for the conduct of their respective businesses as currently conducted, except where the failure to own, possess, license or have such rights has not had and would not have or reasonably be expected to have a Material Adverse Effect. Except where such violations, misappropriations, infringements or unauthorized use would not have or reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, (i) there are no rights of third parties to any such Intellectual Property; (ii) there is no infringement, misappropriation or unauthorized use by third parties of any such Intellectual Property; (iii) there is no pending or threatened Action by any Person challenging the Company's and/or any Subsidiary's rights in or to any such Intellectual Property; (iv) there is no pending or threatened Action by any Person challenging the validity or scope of any such Intellectual Property; and (v) there is no pending or threatened Action by any Person that the Company and/or any Subsidiary infringes, misappropriates or otherwise violates any Intellectual Property of any other Person. The Company and its Subsidiaries comply in all material respects with all

Laws with respect to the protection of personal privacy, personally identifiable information, sensitive personal information and any special categories of personal information regulated thereunder.

(s) Insurance. Each of the Company and its Subsidiaries is insured, and during each of the past two calendar years has been insured, by insurers of recognized financial responsibility against such losses and risks and in such amounts as the Company believes to be prudent and customary In the businesses and locations in which the Company and its Subsidiaries are engaged. All premiums due and payable under all such policies and bonds have been timely paid, and the Company and its Subsidiaries are in material compliance with the terms of such policies and bonds. Neither the Company nor any of its Subsidiaries has received any notice of cancellation of any such insurance, nor, to the Company's Knowledge, will it or any Subsidiary be unable to renew their respective existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would be materially higher than their existing insurance coverage.

(t) Transactions With Affiliates and Employees. Except as set forth on Schedule 3.l(t), none of the officers, directors, employees or Affiliates of the Company or any of its Subsidiaries is presently a party to any contract, arrangement or transaction with the Company or any of its Subsidiaries or to a presently contemplated contract, arrangement or transaction (other than for services as employees, officers and directors) that would be required to be disclosed pursuant to Item 404 of Regulation S-K promulgated under the Securities Act if such item were applicable to the Company.

(u) Internal Accounting Controls. The Company maintains a system of internal accounting controls that is designed to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any difference. The records, systems, controls, data and information of the Company and its Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process whether computerized or not) that are under the exclusive ownership and direct control of the Company or its Subsidiaries or accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be expect to have, individually or in the aggregate, a Material Adverse Effect. The Company has not been advised of any material weaknesses in the design or operation of internal controls over financial reporting which could reasonably be expected to adversely affect the Company's ability to record, process, summarize and report financial data, or any fraud, whether or not material, that involves management. Since January 1, 2011, (i) no material weakness in internal controls has been identified by the Company's auditors or management; and (ii) there have been no significant changes in internal controls that could reasonably be expected to materially and adversely affect internal controls.

(v) No Integrated Offering; Private Placement. Assuming the accuracy of the Purchaser's representations and warranties set forth in Section 3.2 of this Agreement and assuming the accuracy of the representations and warranties of each other Person who purchased Common Stock during the past six (6) months, (i) none of the Company, any Subsidiary nor, to the Company's Knowledge, any of its Affiliates or any Person acting on its behalf has, directly or indirectly, at any time within the past six (6) months, made any offers or sales of any Company security. or solicited any offers to buy any security under circumstances that would cause such offers and sales to be integrated for purposes of Regulation D and any state securities or blue sky laws with the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements or that otherwise would cause the exemption from registration under Regulation D or and any state securities or blue sky laws to be unavailable in connection with the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements and (ii) no registration under the Securities Act or any state securities or blue sky laws is required for the offer and sale by the Company of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements.

(w) Investment Company. Neither the Company nor any of its Subsidiaries is, and immediately after receipt of payment for the Shares will be, an "investment company," an "affiliated person" of, "promoter" for or "principal underwriter" for, an entity "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

(x) Unlawful Payments. Neither the Company nor any of its Subsidiaries, nor any directors, officers, nor to the Company's Knowledge, employees, agents or other Persons acting at the direction of or on behalf of the Company or any Subsidiary has, in the course of its actions for, or on behalf of, the Company or any of its Subsidiaries: (i) directly or indirectly, used any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to foreign or domestic political activity; (ii) made any direct or indirect unlawful payments to any foreign or domestic governmental officials or employees or to any foreign or domestic political parties or campaigns from corporate funds; (iii) violated any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any other similar applicable foreign, federal, or state legal requirement; (iv) made any other unlawful bribe, rebate, payoff, influence payment, kickback or other material unlawful payment to any foreign or domestic government official or employee; or (v) has violated or operated in noncompliance with any export restrictions, money laundering law, anti-terrorism law or regulation, anti-boycott regulations or embargo regulations.

(y) Application of Takeover Protections; Rights Agreements. The Company has not adopted any stockholder rights plan or similar agreement, arrangement or understanding relating to accumulations of beneficial ownership of Common Stock or a change in control of the Company. The Company and its Board of Directors have taken all action necessary to render inapplicable any control share acquisition, business combination, fair price, moratorium, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under applicable Law, the Company's Constituent Documents, or any agreement, arrangement or understanding with any of the Company's shareholders or any other Person that is or could become applicable to the Purchaser as a direct consequence of the transactions contemplated by this Agreement, including, without limitation, the Company's issuance of the Shares to the Purchaser and the Purchaser's ownership of the Shares.

(z) Off Balance Sheet Arrangements. There is no agreement, commitment, transaction, arrangement, or other relationship between the Company (or any of its Subsidiaries) and any unconsolidated or other off balance sheet entity that would have or reasonably be expected to have a Material Adverse Effect.

(aa) OFAC. Neither the Company nor any Subsidiary nor any director, officer, agent, employee, Affiliate or Person acting on behalf of the Company or any Subsidiary is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the Treasury **("OFAC");** and the Company will not knowingly, directly or indirectly, use the proceeds of the sale of the Shares, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person or entity, towards any sales or operations in any country sanctioned by OF AC or for the purpose of financing the activities of any Person currently subject to any U.S. sanctions administered by OFAC.

(bb) No Additional Agreements. Except as set forth on Schedule 3.l(bb), the Company has no other agreements, arrangements or understandings (including, without limitation, the Other Purchase Agreement or any side letters) with any Person to issue shares of capital stock of the Company on terms more favorable to such Person than as set forth herein.

(cc) Well Capitalized. Immediately following consummation of the Private Placement, the Bank will be "well capitalized" under applicable Federal Reserve and FDIC regulations for prompt corrective action.

(dd) Agreements with Regulatory Agencies. Neither the Company nor any of its Subsidiaries is subject to any cease-and-desist or other similar order or enforcement action issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any capital directive by, or since January 1, 2008, has adopted any board resolutions at the request of, any Governmental Authority that currently restricts in any material respect the conduct of its business or that in any material manner relates to its capital adequacy, its liquidity and funding policies and practices, its ability to pay dividends, its credit, risk management or compliance policies, its internal controls, its management or its operations or business (each item in this sentence, a **"Regulatory Agreement"),** nor has the Company or any Subsidiary been advised since January 1, 2011 by any Governmental Authority that it is considering issuing, initiating, ordering, or requesting any such Regulatory Agreement. The Company and its Subsidiaries are in compliance in all material respects with each Regulatory Agreement to which it is party or subject, and neither the Company nor any of its

Subsidiaries has received any notice from any Governmental Authority indicating that the Company or any of its Subsidiaries is not in compliance in all material respects with any such Regulatory Agreement.

(ee) Fiduciary Obligations. The Company and its Subsidiaries have, in all material respects, properly administered all accounts for which it acts as a fiduciary, including accounts for which it serves as a trustee, agent, custodian, personal representative, guardian, conservator or investment advisor, in accordance with the terms of the governing documents, applicable federal and state Law and regulation and common law. None of the Company, its Subsidiaries or any director, officer or employee of the Company or its Subsidiaries has, in any material respect, committed any breach of trust or fiduciary duty with respect to any such fiduciary account and the accountings for each such fiduciary account are true and correct in all material respects and accurately reflect the assets of such fiduciary account.

(ff) No General Solicitation or General Advertising. Neither the Company nor any Person acting on its behalf has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Regulation D of the Securities Act) in connection with any offer or sale of the Shares hereunder or the shares of Common Stock under the Other Purchase Agreements.

(gg) Mortgage Banking Business. Except for such matters that have not had and would not reasonably be expected to have a Material Adverse Effect:

(i) The Company and its Subsidiaries have complied with, and all documentation in connection with the origination, processing, underwriting and credit approval of any mortgage loan originated, purchased or serviced by the Company or its Subsidiaries satisfied, (A) all applicable federal, state and local Laws, rules and regulations with respect to the origination, insuring, purchase, sale, pooling, servicing, subservicing, or filing of claims in connection with mortgage loans, including all Laws relating to real estate settlement procedures, consumer credit protection, truth in lending Laws, usury limitations, fair housing, transfers of servicing, collection practices, equal credit opportunity and adjustable rate mortgages, (B) the responsibilities and obligations relating to mortgage loans set forth in any agreement between the Company or its Subsidiaries and any Agency, Loan Investor or Insurer, (C) the applicable rules, regulations, guidelines, handbooks and other requirements of any Agency, Loan Investor or Insurer, (D) the terms and provisions of any mortgage or other collateral documents and other loan documents with respect to each mortgage loan and (E) the underwriting guidelines and other loan policies and procedures of the Company or any applicable Subsidiary;

(ii) No Agency, Loan Investor or Insurer has (A) claimed in writing that the Company or any of its Subsidiaries has violated or has not complied with the applicable underwriting standards with respect to mortgage loans sold by the Company or any of its Subsidiaries to a Loan Investor or Agency, or with respect to any sale of mortgage servicing rights to a Loan Investor, (B) imposed in writing restrictions on the activities (including commitment authority) of the Company or any of its Subsidiaries or (C) indicated in writing to the Company or any of its Subsidiaries that it has terminated or intends to terminate its relationship with the Company or any of its Subsidiaries for poor performance, poor loan quality or concern with respect to the Company's or any of its Subsidiaries' compliance with Laws; and

(iii) To the Company's Knowledge, the characteristics of the loan portfolio of the Company have not materially changed from the characteristics of the loan portfolio of the Company as of June 30, 2012.

For purposes of this Section 3.l(gg): (A) **"Agency"** means the Federal Housing Administration, the Federal Home Loan Mortgage Corporation, the Farmers Home Administration (now known as Rural Housing and Community Development Services), the Federal National Mortgage Association, the United States Department of Veterans' Affairs, the Rural Housing Service of the U.S. Department of Agriculture or any other Governmental Authority with authority to (i) determine any investment, origination, lending or servicing requirements with regard to mortgage loans originated, purchased or serviced by the Company or any of its Subsidiaries or (ii) originate, purchase, or service mortgage loans, or otherwise promote mortgage lending, including state and local housing finance authorities; (B) **"Loan Investor"** means any Person (including an Agency) having a beneficial interest in any mortgage loan originated, purchased or serviced by the Company or any of its Subsidiaries or a security backed by or representing an interest in any such mortgage loan; and (C) **"Insurer"** means a Person who insures or guarantees for the benefit of the mortgagee all or

any portion of the risk of loss upon borrower default on any of the mortgage loans originated, purchased or serviced by the Company or any of its Subsidiaries, including the Federal Housing Administration, the

United States Department of Veterans' Affairs, the Rural Housing Service of the U.S. Department of Agriculture and any private mortgage insurer, and providers of hazard, title or other insurance with respect to such mortgage loans or the related collateral.

(hh) Risk Management Instruments. Except as has not had or would not be reasonably be expected to have a Material Adverse Effect, since January 1, 2011, all material derivative instruments, including, swaps, caps, floors and option agreements, whether entered into for the Company's own account, or for the account of one or more of its Subsidiaries, were entered into (1) only for purposes of mitigating identified risk and in the ordinary course of business, (2) in accordance with prudent practices and in all material respects with all applicable Laws, rules, regulations and regulatory policies and (3) with counterparties believed to be financially responsible at the time; and each of them constitutes the valid and legally binding obligation of the Company or its Subsidiary, enforceable in accordance with its terms. Neither the Company nor its Subsidiaries, nor, to the Company's Knowledge, any other party thereto, is in breach of any of its material obligations under any such agreement or arrangement. The Company aild its Subsidiaries have in place risk management policies and procedures sufficient in scope and operation designed to protect against risks or the type and in amounts reasonably expected to be incurred by persons of similar size and in similar lines of business as the Company and its Subsidiaries.

(ii) ERISA. The Company and its Subsidiaries are in compliance in all material respects with all presently applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder (herein called **"ERISA").** No "reportable event" (as defined in ERISA) has occurred with respect to any "pension plan" (as defined in ERISA) for which the Company, any Subsidiary, or any employer that would be considered a single employer with the Company under Sections 414(b), (c), (m) or (o) of the Code, would have any liability. None of the Company, any Subsidiary or any employer that would be considered a single employer with the Company under Sections 414(b), (c), (m) or (o) of the Code maintains, contributes or has any liability, whether contingent or otherwise, with respect to, and has not within the preceding six (6) years maintained, contributed or had any liability, whether contingent or otherwise, with respect to any "employee benefit plan," within the meaning of Section 3(3) of ERISA, that is, or has been, (i) subject to Title IV of ERISA or Section 412 of the Code, (ii) maintained by more than one employer within the meaning of Section 413(c) of the Code, (iii) subject to Sections 4063 or 4064 of ERISA, or (iv) a "multiemployer plan," within the meaning of Section 4001(a)(3) of ERISA. Each "pension plan" for which the Company or any Subsidiary would have liability that is intended to be qualified under Section 401(a) of the Code is so qualified in all material respects and nothing has occurred, whether by action or by failure to act, that would cause the loss of such qualification. Neither the Company nor any Subsidiary has any obligation to provide or make available any post-employment benefit under any "welfare plan" (as defined in Section 3(1) of ERISA) for any current or former employee or other service provider, except as may be required under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, or any similar state Law.

(jj) Shell Company Status. The Company is not, and has never been, an issuer identified in Rule 144(i)(l).

(kk) Nonperforming and Classified Assets. Except as set forth on Schedule 3.l(kk), to the Company's Knowledge, as of the date hereof, the Company believes that its Subsidiaries will be able to fully and timely collect substantially all interest, principal or other payments when due under their respective loans, leases and other assets that are not classified as nonperforming and such belief is reasonable under all the facts and circumstances known to the Company and its Subsidiaries, and the Company believes that the amount of reserves and allowances for loan and lease losses and other nonperforming assets established on the Financial Statements is adequate and such belief is reasonable under all the facts and circumstances known to the Company and its Subsidiaries.

(ll) Change in Control. The issuance of the Shares to the Purchaser pursuant to this Agreement and the issuance of shares of Common Stock to the Other Purchasers pursuant to the Other Purchase Agreements will not trigger any rights under any "change of control" provision in any of the agreements to which the Company or any of its Subsidiaries is a party, including any employment, "change in control," severance or other compensatory agreements and any benefit plan, which results in payments to the counterparty or the acceleration of vesting of benefits.

(mm) Material Contracts. Each Material Contract is valid and binding on the Company or its Subsidiaries, as the case may be, and in full force and effect (other than due to the ordinary expiration of the term thereof), and, to the Company's Knowledge, is valid and binding on the other parties thereto. The Company and each of its Subsidiaries (and, to the Company's Knowledge, each· other party thereto) has in all material respects performed all obligations required to be performed by it to date under each Material Contract. To the Company's Knowledge, no other party to the Material Contracts is in breach, violation or default of any such Material Contract, and no event has occurred which with notice or lapse of time or both would constitute a breach, violation or default by any such other party to any such Material Contract. No power of attorney or similar authorization given directly or indirectly by the Company or any of its Subsidiaries is currently outstanding.

(nn) Brokers and Finders. Except as set forth on Schedule (nn), other than the Placement Agent with respect to the Company (which fees are to be paid by the Company and are also set forth on Schedule 3.l(nn)), no Person will have, as a result of the transactions contemplated by this Agreement and the Other Purchase· Agreements, any valid right, interest or claim against or upon the Company, its Subsidiaries or the Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Company or any of its Subsidiaries and no broker or finder has acted directly or indirectly for the Company or any Company Subsidiary in connection with the Transaction Documents or the transactions contemplated hereby or thereby.

(oo) Disclosure. All of the disclosure furnished by or on behalf of the Company to the Purchaser regarding the Company and its Subsidiaries, their respective businesses and the transactions contemplated hereby, is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(pp) Money Laundering Laws. The operations of the Company and each of its Subsidiaries are and have been conducted at all times in material compliance with the money laundering statutes of applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any applicable governmental agency (collectively, the "Money Laundering Laws") and to the Company's Knowledge, no action, suit or proceeding by or before any Governmental Authority involving the Company and/or any Subsidiary with respect to the Money Laundering Laws is pending or threatened.

(qq) Compliance with Certain Banking Regulations. To the Company's Knowledge, there are no existing facts and circumstances, and management has no reason to believe that any facts or circumstances exist, that would cause the Bank: (i) to be deemed not to be in satisfactory compliance with the Community Reinvestment Act of 1977 (the "CRA") and the regulations promulgated thereunder or to be assigned a CRA rating by federal or state banking regulators of lower than "satisfactory"; (ii) to be deemed to be operating in violation, in any material respect, of the Currency and Foreign Transactions Reporting Act of 1970, as amended, or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001; or (iii) to be deemed not to be in satisfactory compliance, in any material respect, with all applicable privacy of customer information requirements contained in any federal and state privacy laws and regulations as well as the provisions of all information security programs adopted by the Bank.

(rr) Common Control. The Company is not and, after giving effect to the offering and sale of the Shares pursuant to this Agreement and the shares of Common Stock pursuant to the Other Purchase Agreements, will not be under the control (as defined in the BHC Act and the Federal Reserve's Regulation Y (12 C.F.R. Part 225) **("BHC Act Control")** of any company (as defined in the BHC Act and the Federal Reserve's Regulation Y). The Company is not in BHC Act Control of any "insured depository institution," as defined under Section 3(c)(2) of the Federal Deposit Insurance Act of 1950, as amended, other than the Bank. The Bank is not under the BHC Act Control of any company (as defined in the BHC Act and the Federal Reserve's Regulation Y) other than Company. Neither the Company nor the Bank controls, in the aggregate, more than five percent (5%) of the outstanding voting class, directly or indirectly, of any federally insured depository institution, other than the Company's ownership interest in the Bank.

(ss) Securities Purchase Agreement. This Agreement is substantially identical in all material respects to the Other Purchase Agreements entered into between the Company and the Other Purchasers purchasing shares of Common Stock except as to: (i) the type and number of shares of Common Stock and Nonvoting Preferred

Stock to be purchased and the aggregate purchase price for such shares (but not the purchase price per share) set forth in Section 2.1 (together with such necessary conforming changes); (ii) reimbursement of certain fees and expenses incurred by Other Purchasers which are capped at a maximum aggregate of $125,000; (iii) Other Purchasers may qualify as a "venture capital operating company" ("VCOC") as defined in the U.S. Department of Labor Regulations codified at 29 C.F.R. Section 2510.3-101, and the Other Purchase Agreements accordingly include the execution and delivery of a VCOC Letter as well as certain VCOC Investor inspection rights; (iv) Other Purchase Agreements contain provisions relating to rights to a Board seat on both the Company's and the Bank's Board of Directors, and/or certain observer rights; (v) Other Purchase Agreements contain additional rights based on maintenance of a defined Qualifying Ownership Interest in the Company's securities; and (v) Other Purchase Agreements may differ with respect to the verbiage and percentage amounts set forth under Section 4.15, Avoidance of Control.

(tt) Directors' and Officers' Insurance. (i) The Company maintains directors' and officers' liability insurance and fiduciary liability insurance with, to the Company's Knowledge, financially sound and reputable insurance companies with benefits and levels of coverage that the Company believes to be prudent and customary in the businesses and locations in which the Company and its Subsidiaries are engaged. (ii) the Company has timely paid all premiums on such policies and (iii) there has been no lapse in directors' and officers' liability insurance and fiduciary liability insurance coverage during the term of such policies.

3.2 Representations and Warranties of the Purchaser. The Purchaser represents and warrants to the Company as of the date hereof and as of the Closing Date as follows:

(a) Organization; Authority. The Purchaser is a limited partnership validly existing and in good standing under the Laws of the jurisdiction of its organization with the requisite power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder. The execution and delivery of this Agreement by the Purchaser, and. the performance by the Purchaser of the transactions contemplated by this Agreement, have been duly authorized by all necessary action on the part of the Purchaser. This Agreement has been duly executed by the Purchaser, and assuming the due authorization, execution and delivery of this Agreement by the Company, will constitute the legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, liquidation or similar Laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application; (ii) as limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies; and (iii) insofar as indemnification and contribution provisions may be limited by applicable Law.

(b) No Conflicts. The execution, delivery and performance by the Purchaser of this Agreement and the consummation by the Purchaser of the transactions contemplated hereby will not (i) result in a violation of the Constituent Documents of the Purchaser; (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to any other Person any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Purchaser is a party; or (iii) result in a violation of any Law, rule, regulation, order, judgment or decree (including federal and state securities Laws) applicable to the Purchaser, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of the Purchaser to consummate the transactions contemplated by this Agreement.

(c) Investment Intent. The Purchaser understands that the Shares are "restricted securities" and have not been registered under the Securities Act or any applicable state securities Laws, and the Purchaser is acquiring the Shares as principal for its own account and not with a view to, or for distributing or reselling such Shares or any part thereof in violation of, the Securities Act or any applicable state securities Laws, provided, however, that by making the representations herein, the Purchaser does not agree to hold any of the Shares for any minimum period of time and reserves the right at all times to sell or otherwise dispose of all or any part of such Shares pursuant to an effective registration statement under the Securities Act or under an exemption from such registration and in compliance with applicable federal and state securities Laws. Except with respect to the Registration Rights Agreement, the Purchaser does not presently have any agreement, plan or understanding, directly or indirectly, with any Person to distribute or effect any distribution of any of the Shares to or through any Person.

(d) Purchaser Status. The Purchaser is an "accredited investor" as defined in Rule 50l(a) under the Securities Act.

(e) General Solicitation. The Purchaser is not purchasing the Shares as a result of any advertisement, article, notice or other communication regarding the Shares published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general advertisement.

(f) Investment Risk. The Purchaser understands that its investment in the Shares involves a significant degree of risk and that no representation is being made as to the future value or trading volume of the Shares.

(g) Experience of the Purchaser. The Purchaser, either alone or together with its Representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Shares, and has so evaluated the merits and risks of such investment. The Purchaser is able to bear the economic risk of an investment in the Shares and, at the present time, is able to afford a complete loss of such investment.

(h) Access to Information. The Purchaser acknowledges that it has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, Representatives of the Company concerning the terms and conditions of the offering of the Shares and the merits and risks of investing in the Shares; (ii) access to information about the Company and its Subsidiaries and their respective financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. Neither such inquiries nor any other investigation conducted by or on behalf of the Purchaser or its representatives or counsel shall modify, amend or affect the Purchaser's right to rely on the truth, accuracy and completeness of the Company's representations and warranties contained in this Agreement. The Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to its acquisition of the Shares.

(i) Brokers and Finders. Other than the Placement Agent with respect to the Company (which fees are to be paid by the Company and are also set forth on Schedule 3.l(nn)), no Person will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company or the Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Purchaser.

(j) Independent Investment Decision. The Purchaser has independently evaluated the merits of its decision to purchase Shares pursuant to this Agreement, and the Purchaser is not relying upon, and has not relied upon, any statement, representation or warranty made by any Person, except for the statements, representations and warranties contained in this Agreement. The Purchaser understands that nothing in this Agreement or any other materials presented by or on behalf of the Company to the Purchaser in connection with the purchase of the Shares constitutes legal, tax or investment advice. The Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the Shares. The Purchaser understands that the Placement Agent has acted solely as the agent of the Company in this placement of the Shares and the Purchaser has not relied on the business or legal advice of the Placement Agent or any of its agents, counsel or Affiliates in making its investment decision hereunder, and confirms that none of such Persons has made any representations or warranties to the Purchaser in connection with the transactions contemplated by this Agreement.

(k) Reliance on Exemptions. The Purchaser understands that the Shares being offered and sold to it in reliance on specific exemptions from the registration requirements of U.S. federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Purchaser's compliance with, the representations, warranties, agreements, acknowledgements and understandings of the Purchaser set forth herein in order to determine the availability of such exemptions and the eligibility of the Purchaser to acquire the Shares.

(l) No Governmental Review. The Purchaser understands that no Governmental Authority has passed on or made any recommendation or endorsement of the Shares or the fairness or suitability of the investment in the Shares nor have such authorities passed upon or endorsed the merits of the offering of the Shares.

(m) No Regulatory Consents or Approvals. Except as required pursuant to Section 5.l(k), no consent, approval, order or authorization of, or registration, declaration or filing with, any Bank Regulatory Authority or other third party is required on the part of Purchaser in connection with (a) the execution, delivery or performance by Purchaser of this Agreement and the Transaction Documents contemplated hereby or (b) the consummation by Purchaser of the transactions contemplated hereby.

(n) Residency. The Purchaser's residence (if an individual) or office in which its investment decision with respect to the Shares was made (if an entity) are located at the address of Purchaser contained in Section 6.2.

3.3 No Additional Representations and Warranties. The Company and the Purchaser acknowledge and agree that no party to this Agreement has made or makes any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in this ARTICLE III and the Transaction Documents.

ARTICLE IV

OTHER AGREEMENTS OF THE PARTIES

4.1 Filings; Other Actions.

(a) The Purchaser (on behalf of itself and its Affiliates, and its and their respective directors, officers, partners, members and shareholders), on the one hand, and the Company (on behalf of itself and its Affiliates), on the other hand, will cooperate and consult with each other and use commercially reasonable efforts to prepare and file all necessary documentation, to effect all necessary applications, notices, petitions, filings, and other documents, and to obtain all necessary permits, consents, orders, approvals, and authorizations of, or any exemption by, all third parties and Governmental Authorities, and expiration or termination of any applicable waiting periods, necessary or advisable to consummate the transactions contemplated by this Agreement and the other Transaction Documents, and to perform their respective covenants in this Agreement and the other Transaction Documents. Each party shall, and shall cause its respective Affiliates, and its and their respective directors, officers, partners, members and shareholders to) execute and deliver, both before and after the Closing, such further certificates, agreements, and other documents and take such other actions as the other party may reasonably request to consummate or implement such transactions or to evidence such events or matters. Notwithstanding anything herein to the contrary, the Purchaser and its Affiliates are not subject to any covenant or agreement under this Agreement to file any application or notice under the BHC Act or the CIBC Act in connection with any of the transactions as contemplated hereby, and nothing herein shall require the Purchaser or any of its Affiliates to take any action that would result in the Purchaser or its Affiliates being deemed to control the Company for the purposes of the BHC Act or the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions), or that would require the Purchaser or its Affiliates to Register as a bank holding company, or that would result in the imposition of any Burdensome Condition. Each party hereto agrees to keep the other party apprised of the status of matters relating to completion of the transactions contemplated hereby.

(b) Each party agrees, upon request, to furnish the other party with all information concerning itself, its subsidiaries, Affiliates, directors, officers, partners, members and shareholders and such other matters as may be reasonably necessary or advisable in connection with any statement, filing, notice, or application made by or on behalf of such other party or any of its subsidiaries to any Governmental Authority in connection with Transaction Documents; provided, however, that this Section 4.1(b) shall not require a party to furnish any of its or its Affiliates' partnership agreements.

4.2 Transfer Restrictions.

(a) Compliance with Laws. Notwithstanding any other provision of this Agreement, the Purchaser covenants that the Shares may be disposed of only pursuant to an effective registration statement under, and in compliance with the requirements of, the Securities Act, or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable state, federal or foreign securities Laws. In connection with any transfer of the Shares other than (i) pursuant to an effective registration statement, (ii) to one or more Affiliates of Purchaser, (iii) to the Company; (iv) in a merger or other recapitalization or business combination transaction authorized and approved by the Board of Directors, or (v) pursuant to Rule 144 (provided that the transferor provides the Company with reasonable assurances (in the form of seller and broker representation letters) that such securities may be sold pursuant to such rule), the Company may require the transferor thereof to provide to the Company and the Transfer Agent, at the transferor's expense, an opinion of counsel selected by the transferor and reasonably acceptable to the Company and the Transfer Agent, the form and substance of which opinion will be reasonably satisfactory to the Company and the Transfer Agent, to the effect that such transfer does not require registration of such Shares under the Securities Act. As a condition of transfer (other than pursuant to clauses (i), (iii), (iv) or (v) of the preceding sentence), any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights of a Purchaser under this Agreement and the Registration Rights Agreement with respect to such transferred Shares.

(b) Legends. Certificates evidencing the Shares will bear any legend as required by the "blue sky" Laws of any state and a restrictive legend in substantially the following form, until such time as they are not required under Section 4.2(c) or applicable Law:

> THESE SECURITIES HA VE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER SAID ACT (PROVIDED THAT THE TRANSFEROR PROVIDES THE COMPANY WITH REASONABLE ASSURANCES (IN THE FORM OF SELLER REPRESENTATION LETTER AND, IF APPLICABLE, A BROKER REPRESENTATION LETTER) THAT THE SECURITIES MAY BE SOLD PURSUANT TO SUCH RULE). NO REPRESENTATION IS MADE BY THE ISSUER AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THESE SECURITIES.

(c) Removal of Legends. The Company will take such action as may be necessary and appropriate to cause the Transfer Agent to issue to the Purchaser new certificates representing the Shares without such restrictive legends as set forth in Section 4.2(b) in exchange for the certificates issued to the Purchaser under Section 2.3(a)(ii) of this Agreement upon the earliest to occur of the following: (i) such Shares are registered for resale under the Securities Act, (ii) such Shares are sold or transferred pursuant to Rule 144, or (iii) such Shares are eligible for sale under Rule 144, without the requirement for the Company to be in compliance with the current public information required under Rule 144(c)(l) (or Rule 144(i)(2), if applicable) as to such securities and without volume or manner-of-sale restrictions. If a legend is no longer required pursuant to the foregoing, the Company will no later than three (3) Business Days following the delivery by the Purchaser to the Transfer Agent of a legended certificate representing such Shares (such third trading day, the **"Legend Removal Date"),** deliver or cause to be delivered to the Purchaser a certificate representing such Shares that is free from all restrictive legends. The Company may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this Section 4.2(c). Any fees (with respect to the transfer agent or otherwise) associated with the removal of such legend shall be borne by the Company.

(d) Cooperation by the Company. The Company shall cooperate, in accordance with reasonable and customary business practices with any and all transfers, whether by direct or indirect sale, assignment, award, confirmation, distribution, bequest, donation, trust, pledge, encumbrance, hypothecation or other transfer or disposition, for consideration or otherwise, whether voluntarily or involuntarily, by operation of law or otherwise, by the Purchaser or any of its successors and assigns of the Securities and other shares of Common Stock such party may beneficially own prior to or subsequent to the date hereof in accordance with this Agreement.

4.3 Form D and Blue Sky. The Company will take such action as the Company reasonably determines is necessary in order to obtain an exemption for or to qualify the Shares for sale to the Purchaser at the Closing pursuant to this Agreement under applicable federal and state securities Laws (or to obtain an exemption from such qualification). The Company will make all filings and reports relating to the offer and sale of the Shares required under applicable federal and state securities Laws following the Closing Date.

4.4 No Integration. The Company will not sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that will be integrated with the offer or sale of the Shares in a manner that would violate the integration rules and policies of the Commission and/or any state securities regulatory, or require the registration under the Securities Act of the sale of the Shares to the Purchaser.

4.5 Publicity. The Company shall be permitted, without the prior consent of Purchaser, to issue a press release in connection with the closing of the Private Placement. Such press release may include the total number of Shares of Common Stock and shares of Nonvoting Preferred Stock sold and the amount of capital raised pursuant to the Private Placement, including Shares acquired by the Purchaser and the Other Purchasers. Without limiting the foregoing, the Company shall not publicly disclose the name of the Purchaser or any Affiliate or investment adviser of the Purchaser, or include the name of the Purchaser or any Affiliate or investment adviser of the Purchaser in any press release or in any filing with the Commission or any regulatory agency (other than in such filings as may be requested by the Federal Reserve in connection with this Private Placement), without the prior written consent of the Purchaser, except to the extent such disclosure is required by Law, in which case the Company shall provide the Purchaser with prior written notice of such disclosure permitted hereunder and a reasonable opportunity to provide comments on such disclosure.

4.6 Confidentiality. Except with the prior written consent of the Company or as otherwise required by Law, the Purchaser will keep confidential and will not disclose, in whole or in part, any Confidential Information (other than to its Representatives), and the Purchaser will use its reasonable best efforts to cause its Representatives who are provided Confidential Information to keep such Confidential Information confidential in accordance with the terms of this Section 4.6 to the fullest extent as if they were parties hereto.

4.7 Indemnification.

(a) Indemnification of the Purchaser. The Company will indemnify and hold the Purchaser and its directors, officers, shareholders, members, managers, partners, employees, agents, successors and assigns (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls the Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, managers, members, partners, employees, agents, successors and permitted assigns (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling Person (each, an **"Indemnified Person")** harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs, interest and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and expenses and costs of investigation, preparation and defense (collectively, "Losses") that any such Indemnified Person may suffer or incur as a result of (i) any breach of or inaccuracy in any of the representations or warranties made by the Company in this Agreement, (ii) any breach or default in performance of any of the covenants or agreements made by the Company in this Agreement, or (iii) any action instituted against an Indemnified Person in any capacity, or any of them or their respective Affiliates, by any Governmental Authority, shareholder of the Company or any other Person who is not an Affiliate of such Indemnified Person, arising out of the transactions contemplated by this Agreement and the other Transaction Documents. The Company will not be liable to any Indemnified Person under this Agreement to the extent,

but only to the extent that a loss, claim, damage or liability is attributable to any Indemnified Person's breach of any of the representations, warranties, covenants or agreements made by such Indemnified Person in this Agreement. Any indemnification payment made pursuant to this Agreement shall be treated as an adjustment to purchase price for Tax purposes, except as otherwise required by Law.

(b) Conduct of Indemnification Proceedings. Promptly after receipt by any Indemnified Person of any notice of any demand, claim or circumstance which would or might give rise to a claim or the commencement of any Proceeding in respect of which indemnity may be sought pursuant to this Section 4.7 **("Indemnification Claim"),** such Indemnified Person will notify the· Company in writing of such Indemnification Claim; provided that the failure of any Indemnified Person to so notify the Company will not relieve the Company of its obligations hereunder except to the extent that such failure will have materially and adversely prejudiced the Company (as finally determined by a court of competent jurisdiction, which determination is not subject to appeal or further review). In the event that any Indemnification Claim would or might give rise to a claim or the commencement of any Proceeding by a third party **("Third Party Claim"),** the Company shall be entitled to assume and control the defense thereof, including the employment of counsel reasonably satisfactory to the applicable Indemnified Person at the Company's expense, if the Company gives notice to the Indemnified Person of its intent to do so within twenty (20) Business Days of the Company's receipt of notice of the Third Party Claim from the Indemnified Person and agrees in writing, subject to the limitations and other provisions set forth in this Agreement, that it shall indemnify the Indemnified Person with respect to such Third Party Claim. In any Third Party Claim, any Indemnified Person will have the right to retain its own counsel, but the fees and expenses of such counsel will be at the expense of such Indemnified Person, unless: (i) the Company and the Indemnified Person will have mutually agreed to the retention of such counsel; (ii) the Company will have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Person in such Proceeding; (iii) the Third Party Claim does not seek solely monetary relief, (iv) the Company does not conduct the defense of the Third Party Claim actively and diligently, or (v) in the reasonable judgment of counsel to such Indemnified Person, representation of both parties by the same counsel would be inappropriate due to actual or potential conflict of interest between them. The Company will not be liable for any settlement of any Proceeding related to any Indemnification Claim effected without its written consent, which consent will not be unreasonably withheld, delayed or conditioned; provided that in the event the Company has not (i) assumed the defense in such Proceeding and (ii) agreed in writing that it shall indemnify the Indemnified Person with respect to such Proceeding, nothing set forth herein shall prohibit the Indemnified Person from effecting a settlement of such Proceeding and initiating an Indemnification Claim against the Company following such settlement. Without the prior written consent of the Indemnified Person, the Company will not effect any settlement of any pending or threatened Proceeding in respect of which any Indemnified Person is or could have been a party and indemnity could have been sought hereunder by such Indemnified Person, unless such settlement (i) includes an unconditional release of such Indemnified Person from all liability arising out of such Proceeding, (ii) ascribes no fault on the part of such Indemnified Person and (iii) provides for solely monetary relief. In the event the Company exercises the right to undertake any defense against any Third Party Claim as provided above, the Indemnified Person shall reasonably cooperate with the Company in such defense and to the extent possible make available to the Company all witnesses, pertinent records, materials and information in the Indemnified Person's possession or under the Indemnified Person's control relating thereto as is reasonably requested by the Company. Similarly, in the event the Indemnified Person is, directly or indirectly, conducting the defense against any Third Party Claim, the Company shall reasonably cooperate with the Indemnified Person in such defense and to the extent possible make available to the Indemnified Person all witnesses, records, materials and information in the Company's possession or under the Company's control relating thereto as is reasonably requested by the Indemnified Person.

(c) Limitation on Amount of Company's Indemnification Liability.

(i) Deductible. Except as provided otherwise in Section 4.6(c)(iii), the Company will not be liable for Losses that otherwise are indemnifiable under Section 4.6(a)(i) until the total of all Losses incurred by Purchaser exceeds $350,000.

(ii) Maximum. Except as provided otherwise in Section 4.6(c)(iii), the maximum aggregate liability of the Company for all Losses under Section 4.6(a)(i) is the Subscription Amount.

(iii) Exceptions. The provisions of Section 4.6(c)(i) and (ii) do not apply to (A) claims due to the inaccuracy of any of the representations or breach of any warranties of the Company in Sections 3.l(a), 3.l(b), 3.l(c), 3.l(e), 3.l(f), 3.l(g), 3.l(i) and 3.l(nn) or (B) indemnification claims involving fraud or knowing and intentional misconduct on behalf of the Company. For purposes of the indemnity contained in Section 4.7(a), all qualifications and limitations set forth in the Company's representations and warranties as to "materiality," "Company's Knowledge," "Material Adverse Effect" and words of similar import shall be disregarded in determining whether there shall have been any inaccuracy in or breach of any representations and warranties in this Agreement.

4.8 Use of Proceeds. The Company intends to use all or substantially all of the net proceeds from the sale of the Shares to further capitalize the Company and the Bank for general corporate and working capital purposes. In addition, the Company may also use a portion of the proceeds of the offering to redeem all or a portion of its outstanding preferred stock or to repay all or a portion of our line of credit with First National Bankers Bank; if any. Additionally, the Company may. use the net proceeds to develop additional banking offices or to finance· bank or other acquisitions.

4.9 Limitation on Beneficial Ownership. Neither the Purchaser nor any of its Affiliates will be entitled to purchase a number of Shares that would result in such the Purchaser becoming, directly or indirectly, the beneficial owner (as determined under Rule 13d-3 under the Exchange Act) of more than 9.9% of the issued and outstanding shares of Common Stock (counting for such purposes the number of shares· of Common Stock into which any shares of Nonvoting Preferred Stock then outstanding are directly or indirectly convertible, without regard to any limitations on conversion that may apply pursuant to the terms of the Nonvoting Preferred Stock).

4.10 Certain Transactions. The Company will not merge or consolidate into, or sell, transfer or lease all or substantially all of its property or assets to, any other party unless the successor, transferee or lessee party, as the case may be (if not the Company), expressly assumes the due and punctual performance and observance of each and every covenant and condition of this Agreement to be performed and observed by the Company.

4.11 Conduct of Business. From the date hereof until the earlier of: (x) the Closing Date or (y) the termination of this Agreement in accordance with its terms, except (1) as contemplated by this Agreement or the Other Purchase Agreements and (2) as disclosed in Schedule 4.11, the Company will, and will cause its Subsidiaries to (a) operate their business in the ordinary course consistent with past practice, preserve intact the current business organization of the Company, use commercially reasonable efforts to retain the services of their employees, consultants and agents, preserve the current relationships of the Company and its Subsidiaries with material customers and other Persons with whom the Company and its Subsidiaries have and intend to maintain significant relations, maintain all of its operating assets in their current condition (normal wear and tear excepted) and will not take or omit to take any action that, if taken or omitted to be taken after January 1, 2011 and prior to the date hereof, would constitute a breach of Section 3.l(k), or (b) refrain from: (1) declaring, setting aside or paying any distributions or dividends on, or making any other distributions (whether in cash, securities or other property) in respect of, any of its capital stock; (2) splitting, combining or reclassifying any of its capital stock or issuing or authorizing the issuance of any other securities in respect of, in lieu of or in substitution for capital stock or any of its other securities; (3) purchasing, redeeming or otherwise acquiring any capital stock or any of its other securities or any rights, warrants or options to acquire any such capital stock or other securities; (4) issuing, delivering, selling, granting, pledging or otherwise disposing of or encumbering any capital stock, any other voting securities or any securities convertible into or exchangeable for, or any rights, warrants or options to acquire, any such capital stock, voting securities or convertible or exchangeable securities, other than any issuance of Common Stock on exercise of any compensatory stock options outstanding on the date of this Agreement; (5) acquiring or agreeing to acquire in any manner, including by way of merger, consolidation, or purchase of any capital stock or assets, any business of any Person or other business organization or division thereof; or (6) selling, transferring or otherwise disposing of (i) all or substantially all of the assets of the Company or any Subsidiary or (ii) any assets that are material to the business or the operation and management of the business of the Company and the Subsidiaries.

4.12 Delivery of Financial Statements.

(a) The Company shall deliver to the Purchaser:

(i) as soon as practicable, but in any event within ninety (90) days after the end of each fiscal year of the Company, (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements audited and certified by independent public accountants selected by the Company, and the chief financial officer and chief executive officer of the Company shall certify in writing that such financial statements were prepared in accordance with GAAP consistently applied with prior practice for earlier periods and fairly present the financial condition of the Company and its results of operation for the periods specified therein;

(ii) as soon as practicable, but in any event within forty five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, unaudited statements of income and of cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP), and the chief financial officer and chief executive officer of the Company shall certify in writing that such financial statements were prepared in accordance with GAAP consistently applied with prior practice for earlier periods (except as otherwise set forth in this Section 4.12(a)(ii)) and fairly present the financial condition of the Company and its results of operation for the periods specified therein;

(iii) as soon as practicable following the request of the Purchaser, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Purchaser to calculate its percentage equity ownership in the Company, and certified by the chief financial officer or chief executive officer of the Company as being true, complete, and correct; and

(iv) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as the Purchaser may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Section 4.12(a)(iv) to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

4.13 Registration Rights. Contemporaneously with the execution and delivery of this Agreement, the Company and the Purchaser shall execute and deliver the Registration Rights Agreement.

4.14 Rights to Purchase New Securities.

(a) For so long as the Purchaser, together with its Affiliates, has not transferred any Shares acquired pursuant to this Agreement to one or more third parties, Purchaser shall have the right to purchase, on the terms and conditions set forth herein, Purchaser's Pro Rata Portion of (i) any Company Securities, or (ii) any Subsidiary Securities, in each case that the Company or the Company's Subsidiary may propose to issue (each of (i) and (ii), the **"New Securities").** Except as otherwise provided herein, the **"Pro Rata Portion"** of New Securities that the Purchaser shall be entitled to purchase in the aggregate shall be determined by multiplying (x) the total number or principal amount of such offered New Securities by (y) a fraction, the numerator of which is the total number of shares of Common Stock then held by the Purchaser (counting for such purposes all shares of Common Stock into which any securities owned by the Purchaser are directly or indirectly convertible or exercisable, without regard to any limitations on conversion that may apply pursuant to the terms of such securities, if any, and the denominator of which is the total number of

shares of Common Stock then outstanding (counting for such purposes all shares of Common Stock into which any securities owned by all shareholders are directly or indirectly convertible or exercisable, without regard to any limitations on conversion that may apply pursuant to the terms of such securities).

(b) The Company shall give Purchaser notice (an **"Issuance Notice")** of any proposed issuance or sale by the Company or any Subsidiary of the Company of any New Securities at least thirty (30) days prior to the proposed issuance or sale date. The Issuance Notice shall specify the price at which such New Securities are to be issued or sold and the other material terms of the issuance. Subject to Section 4.14(f) below, Purchaser shall be entitled to purchase up to Purchaser's Pro Rata Portion of the New Securities proposed to be issued or sold, at the price and on the terms specified in the Issuance Notice.

(c) If Purchaser is to purchase any or all of its Pro Rata Portion of the New Securities specified in the Issuance Notice, Purchaser shall deliver written notice to the Company (an **"Exercise Notice")** of its election to purchase such New Securities within thirty (30) days after the date of the Issuance Notice. The Exercise Notice shall specify the number (or amount) of New Securities to be purchased by Purchaser and shall constitute exercise by Purchaser of its rights under this Section 4.14 and a binding agreement of Purchaser to purchase, at the price and. on the terms and conditions specified in the Issuance Notice, the number of shares (or amount) of New Securities specified in the Exercise Notice. If, at the termination of such thirty (30)-day period, Purchaser shall not have delivered an Exercise Notice to the Company, Purchaser shall be deemed to have waived all of its rights under this Section 4.14 with respect to the purchase of such New Securities (but not with respect to the purchase of future issuances of New Securities).

(d) The Company or the applicable Subsidiary thereof shall have sixty (60) days after the date of the Issuance Notice to consummate the proposed issuance or sale of any or all of such New Securities that Purchaser has not elected to purchase at the price and upon terms and conditions specified in the Issuance Notice; provided that, if such issuance is subject to regulatory approval, such sixty (60)-day period shall be extended until the expiration of ten (10) Business Days after all such approvals have been received, but in no event later than one hundred twenty (120) days after the date of the Issuance Notice. If the Company or a Subsidiary thereof proposes to issue or sell any such New Securities after such sixty (60)-day (or 120-day) period, it shall again comply with the procedures set forth in this Section 4.14.

(e) At the consummation of the issuance or sale of such New Securities, the Company or the applicable Subsidiary thereof shall issue certificates or instruments representing the New Securities to be purchased by Purchaser in connection with exercising its preemptive rights pursuant to this Section 4.14 registered in the name of Purchaser, promptly following payment by Purchaser of the purchase price for such New Securities in accordance with the terms and conditions as specified in the Issuance Notice.

(f) Notwithstanding the foregoing, Purchaser shall not be entitled to purchase New Securities as contemplated by this Section 4.14 in connection with issuances or sales of New Securities (i) to employees, officers, directors or consultants of the Company pursuant to any employee benefit plans or compensatory arrangements approved by the Board of Directors (including upon the exercise of employee stock options granted pursuant to any such plans or arrangements), (ii) as consideration in connection with any bona fide, arm's-length direct or indirect merger, acquisition or similar transaction, (iii) in connection with the exercise or conversion of outstanding Company Securities or any interest payment, dividend or distribution in respect of outstanding Company Securities, (iv) in connection with any expedited issuance of New Securities undertaken at the written direction of an applicable Bank Regulatory Authority, or (v) in connection with the issuance of Company Securities pursuant to the Other Purchase Agreements. Purchaser shall not be entitled to purchase New Securities to the extent that such purchase would cause Purchaser to be in breach of its obligations under Sections 4.9 and 4.15, respectively.

(g) Notwithstanding the foregoing provisions of this Section 4.14, if a majority of the directors of the Board of Directors determines that it is in the best interests of the Company to issue equity or debt securities on an expedited basis, then the Company may consummate the proposed issuance or sale of such securities prior to the expiration of the time periods set forth in Sections 4.14(b) and (c) (an **"Expedited Issuance").** In connection with such Expedited Issuance, the Company and the Board of Directors shall make appropriate provision in order to comply with

the provisions of this Section 4.14 following the completion of such Expedited Issuance. The sale of any such additional New Securities under this Section 4.14(g) to the Purchaser and to the Other Purchasers pursuant to similar provisions in the Other Purchase Agreements shall be consummated as promptly as is practicable, but in any event no later than ninety (90) days subsequent to the date on which the Company consummates the Expedited Issuance. Notwithstanding anything to the contrary in this Agreement, no rights of the Purchaser under this Agreement will be adversely affected solely as the result of the temporary dilution of its percentage ownership of Common Shares due to an Expedited Issuance under this Section 4.14(g); provided, however, that such rights may be adversely affected from and after such time, if any, that the Purchaser declines to purchase Common Shares offered to the Purchaser under this Section 4.14.

(h) The Company and the Purchaser shall cooperate in good faith to facilitate the exercise of the Purchaser's rights under this Section 4.14, including to secure any required third party approvals or consents.

4.15 Avoidance of Control. Notwithstanding anything to the contrary in this Agreement, neither the Company nor any Subsidiary shall take any action (including, without limitation, any redemption,. repurchase, rescission or recapitalization of Common Stock, or securities or rights, options or warrants to purchase Common Stock, or securities of any type whatsoever that are, or may become, convertible into or exchangeable into or exercisable for Common Stock in each case, where each Purchaser is not given the right to participate in such redemption, repurchase, rescission or recapitalization to the extent of such Purchaser's pro rata proportion), that would cause (a) the Purchaser's or any other Person's equity of the Company (together with equity owned by the Purchaser's or other Person's Affiliates (as such term is used under the BHC Act)) to exceed 33.3% of the Company's total equity (provided that there is no ownership or control in excess of 9.9% of any class of Voting Securities by the Purchaser or any other Person, together with their respective Affiliates, as applicable) or (b) the Purchaser's or any other Person's ownership of any class of Voting Securities (together with the ownership by the Purchaser's Affiliates (as such term is used under the BHC Act) of Voting Securities) to exceed 9.9%, in each case without the prior written consent of the Purchaser or such Person, or to increase to an amount that would constitute "control" under the BHC Act, the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions) or otherwise cause the Purchaser to "control" the Company under and for purposes of the BHC Act, the CIBC Act or any rules or regulations promulgated thereunder (or any successor provisions). Notwithstanding anything to the contrary in this Agreement, the Purchaser (together with its Affiliates (as such term is used under the BHC Act)) shall not have the ability to purchase more than 33.3% of the Company's total equity or exercise any voting rights of any class of securities in excess of 9.9% of the total outstanding Voting Securities. In the event either the. Company or the Purchaser breaches its obligations under this Section 4.15 or believes that it is reasonably likely to breach such an obligation, it shall promptly notify the other parties hereto and shall cooperate in good faith with such parties to modify ownership or make other arrangements or take any other action, in each case, as is necessary to cure or avoid such breach.

4.16 Inspection. The Company shall permit the Purchaser, at the Purchaser's expense, to visit and inspect the Company's and each of its Subsidiaries' properties; examine each of their respective books of account and records; and discuss with each of their respective officers their affairs, finances, and accounts, during normal business hours as may be reasonably requested by the Purchaser; provided, however, that (a) such right of inspection may be exercised by the Purchaser only once per calendar quarter, and (b) neither the Company nor any Subsidiary shall be obligated pursuant to this Section 4.16 to provide access to any information that the Company or its Subsidiary reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company, its Subsidiaries and their respective legal counsel.

4.17 FDIC Final Statement of Policy on Qualifications for Failed Bank Acquisitions. So long as the Purchaser holds any Shares, the Company will not, without the consent of the Purchaser, take any action, directly or indirectly, through its subsidiaries or otherwise, that the Board of Directors believes in good faith would reasonably be expected to cause the Purchaser to be subject to transfer restrictions or other covenants of the FDIC Final Statement of Policy on Qualifications for Failed Bank Acquisitions as in effect at the time of taking such action.

ARTICLE V
CONDITIONS PRECEDENT TO CLOSING

5.1 Conditions Precedent to the Purchaser's Obligations. The obligation of the Purchaser to purchase the Shares at the Closing is subject to the fulfillment to the Purchaser's satisfaction, on or prior to the Closing Date, of each of the following conditions, any of which may be waived by the Purchaser in writing:

(a) Representations and Warranties. The representations and warranties of the Company contained herein shall be true and correct as of the date when made and as of the Closing Date, as though made on and as of such date, except for such representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date.

(b) Performance. The Company will have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by it at or prior to the Closing.

(c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that seeks to restrain, prohibit or rescind the transactions contemplated by this Agreement, including prohibiting or restricting the Purchaser or any of its Affiliates from owning any Shares in accordance with the terms and conditions of this Agreement.

(d) Consents. The Company shall have obtained in a timely fashion any and all consents, permits, approvals, registrations and waivers necessary for consummation of the purchase and sale of the Shares, all of which will be and remain so long as necessary in full force and effect.

(e) Company Deliverables. The Company shall have delivered the Company Deliverables in accordance with Section 2.3(a).

(f) Minimum Gross Proceeds. The Company shall have received (or shall receive concurrently with the Closing) gross proceeds from the Private Placement (including, without limitation, the sale of the Shares to the Purchaser pursuant to this Agreement), at a price per share equal to the Purchase Price, in an aggregate amount of not less than $75,000,000.

(g) No Burdensome Condition. Since the date hereof, there shall not be any action taken, or any law, rule or regulation enacted, entered, enforced or deemed applicable to the Company or its Subsidiaries, the Purchaser (or its Affiliates) or the transactions contemplated by this Agreement, by any Governmental Authority (including any Bank Regulatory Authority) which imposes any new restriction or condition on the Company or its Subsidiaries or the Purchaser or any of its Affiliates (other than such restrictions as· are described in any passivity or anti-association commitments, as may be amended from time to time, entered into by the Purchaser) which the Purchaser determines, in its reasonable good faith judgment, is materially and unreasonably burdensome on the Company's business following the Closing or on the Purchaser (or any of its Affiliates) or would reduce the economic benefits of the transactions contemplated by this Agreement to the Purchaser to such a degree that the Purchaser would not have entered into this Agreement had such condition or restriction been known to it on the date hereof (any such condition or restriction, a **"Burdensome Condition"),** and, for the avoidance of doubt, any requirements to disclose the identities of limited partners, shareholders or members of the Purchaser or its Affiliates or its investment advisers, other than the identities of Affiliates of the Purchaser, shall be deemed a Burdensome Condition unless otherwise determined by the Purchaser in its sole discretion.

(h) Termination. This Agreement shall not have been terminated in accordance with Section 6.13 herein.

(i) Bank Regulatory Issues. (1) The purchase of the Shares shall not (i) cause the Purchaser or any of its Affiliates to violate any bank regulation, (ii) require the Purchaser or any of its affiliates (as such term is used in the BHC Act or the CIBC Act, as applicable) to file a prior notice with the Federal Reserve or its delegee under the CIBC Act or the BHC Act or obtain the prior approval of any bank regulator or (iii) cause the Purchaser, together with any other Person whose Company securities would be aggregated with the Purchaser's Company securities for purposes

of any bank regulation or law, to collectively be deemed under the BHC Act, the CIBC Act, any other applicable bank regulation or law, or any rules or regulations promulgated thereunder (or any successor provisions) to own, control or have the power to vote securities which (assuming, for this purpose only, full conversion and/or exercise of such securities by the Purchaser which are convertible or exercisable by their terms in the hands of the Purchaser) would represent more than 9.9% of the Voting Securities outstanding at such time, and (2) the Federal Reserve shall have accepted the Purchaser's usual and customary passivity and anti-association commitments.

(j) Material Adverse Effect. No Material Adverse Effect shall have occurred since the date of this Agreement; and

(k) Federal Reserve. The Purchaser shall have received confirmation, satisfactory in its reasonable good faith judgment, from the Federal Reserve or the Federal Reserve Bank of Dallas, as applicable, and the OFI, to the effect that the purchase of the Shares and the consummation of the Closing and the transactions contemplated by the Purchase Agreement or the Registration Rights Agreement will not result in the Purchaser or any of its Affiliates being deemed in control of the Company or the Bank for purposes of the BHC Act, the Federal Reserve's Regulation Y and the Laws of the State of Louisiana.

5.2 Conditions Precedent to the Company's Obligations. The Company's obligation to sell and issue the Shares to the Purchaser at the Closing is subject to the fulfillment to the satisfaction of the Company, on or prior to the Closing Date, of each of the following conditions, any of which may be waived by the Company:

(a) Representations and Warranties. The representations and warranties of the Purchaser contained herein shall be true and correct as· of the date when made and as of the Closing Date (other than any inaccuracies that, individually or in the aggregate, would not materially and adversely impact the Purchaser's ability to fund the Subscription Amount and close the Private Placement in a timely manner), as though made on and as of such date, except for such representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date.

(b) Performance. The Purchaser will have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Purchaser at or prior to the Closing.

(c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that seeks to restrain, prohibit or rescind the transactions contemplated by this Agreement, including prohibiting or restricting the Purchaser or any of its Affiliates from owning any Shares in accordance with the terms and conditions of this Agreement.

(d) Purchaser Deliverables. The Purchaser shall have delivered its Purchaser Deliverables in accordance with Section 2.3(b).

(e) Termination. This Agreement shall not have been terminated in accordance with Section 6.13 herein.

ARTICLE VI

MISCELLANEOUS

6.1 Entire Agreement. This Agreement, together with the exhibits and schedules hereto, and the Registration Rights Agreement contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, discussions and representations, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules. At or after the Closing, and without further consideration, the Company and the Purchaser will execute and deliver to the other party such further documents as may be reasonably requested in order to give practical effect to the intention of the parties under this Agreement and the Registration Rights Agreement.

6.2 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder will be in writing and will be deemed given and effective on the earliest of (a) the date of transmission, if such notice or communication is delivered via facsimile (provided the sender receives a machine-generated confirmation of successful transmission) at the facsimile number specified in this Section 6.2 or via electronic mail to the electronic mail address specified in this Section 6.2 prior to 5 :00 p.m., Ruston, Louisiana time, on a Business Day, (b) the next Business Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number specified in this Section 6.2 or via electronic mail to the electronic mail address specified in this Section 6.2 on a day that is not a Business Day or later than 5:00 p.m., Ruston, Louisiana time, on any Business Day,

(c) the Business Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service with next day delivery specified, or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications will be as follows:

If to the Company: Community Trust Financial Corporation
1511 N. Trenton Street
Ruston, Louisiana 71270
Attention: Drake D. Mills
Telephone: (318) 254-7422
Fax: (318) 254-7429
E-mail Address: drake@ctbonline.com

With a copy to: Jones, Walker, Waechter, Poitevent, Carrere & Denegre L.L.P.
190 E. Capitol St., Suite 800
Jackson, Mississippi
Attention: J. Andrew Gipson
Telephone: (601) 949-4789
Fax: (601) 949-4804
E-mail Address: agipson@joneswalker.com

If to the Purchaser: Banc Fund VIII L.P.
20 N. Wacker Drive, Suite 3300
Chicago, Illinois 60606
Attention: Terry Murphy
Telephone: (312) 855-6202
Fax: (312) 855-6610
E-mail Address: tmurphy@bancfund.com

or such other address as may be designated in writing hereafter, in the same manner, by such Person.

6.3 Amendments; Waivers. No amendment or waiver of any provision of this Agreement will be effective with respect to any party unless made in writing and signed by an officer or a duly authorized representative of such party.

6.4 Construction. The headings herein are for convenience only, do not constitute a part of this Agreement and will not be deemed to limit or affect any of the provisions hereof. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. This Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

6.5 Successors and Assigns. The provisions of this Agreement will inure to the benefit of and be binding upon the parties and their successors and permitted assigns. Neither this Agreement, nor any rights or obligations hereunder, may be assigned by the Company without the prior written consent of the Purchaser. The Purchaser may assign its rights hereunder in whole or in part to any Person to whom the Purchaser assigns or transfers any Shares in compliance with this Agreement and applicable law; provided that such transferee will agree in writing to be bound, with respect to the transferred Shares, by the terms and conditions of this Agreement that apply to the “Purchaser.”

6.6 No Third-Party Beneficiaries. Nothing contained in this Agreement, expressed or implied, is intended to confer or shall confer upon any person other than the express parties hereto, any benefit right or remedies, except as otherwise provided specifically herein. Notwithstanding the foregoing, the provisions of Sections 4.7 shall inure to the benefit of the persons referred to in those Sections to the extent provided therein.

6.7 **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES SUBJECT TO THIS AGREEMENT WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF LOUISIANA, WITHOUT REGARD TO THE LAWS THAT MIGHT OTHERWISE GOVERN UNDER APPLICABLE PRINCIPLES OF CONFLICTS OF LAWS. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS TO PROCESS BEING SERVED IN ANY SUCH PROCEEDING BY MAILING A COPY THEREOF VIA REGISTERED OR CERTIFIED MAIL OR OVERNIGHT DELIVERY (WITH EVIDENCE OF DELIVERY) TO SUCH PARTY AT THE ADDRESS IN EFFECT FOR NOTICES TO IT UNDER THIS AGREEMENT AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE GOOD AND SUFFICIENT SERVICE OF PROCESS AND NOTICE THEREOF. NOTHING CONTAINED HEREIN SHALL BE DEEMED TO LIMIT IN ANY WAY ANY RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.**

6.8 Survival. The representations and warranties of the Purchaser contained herein will not survive the Closing. The representations, warranties, covenants and agreements of the Company shall survive the Closing; provided that, except with respect to the Fundamental Representations, which shall survive the Closing to the extent of the applicable statute of limitations, the representations and warranties of the Company shall survive the Closing for a period of twenty-four (24) months following the Closing Date; provided that the Fundamental Representations shall survive indefinitely and the Statutory Representations shall survive until the expiration of the applicable statute of limitations; provided, further, that if notice of an Indemnification Claim shall have been delivered by an Indemnified Person to the Company prior to the expiration of any representation, warranty, agreement or covenant of the Company in accordance with Section 4.7, this ARTICLE VI and the representations, warranties, agreements and covenants of the Company subject to such Indemnification Claim shall survive until the final resolution of such Indemnification Claim. Upon the expiration of the representations, warranties, agreements and covenants contained in this Agreement pursuant to this Section 6.8, such representations, warranties, agreements and covenants shall be deemed to be of no further force and effect.

6.9 Execution. This Agreement may be executed in any number of counterparts, each of which will be an original and all, when taken together, will be considered one and the same agreement. This Agreement will become effective when each party hereto will have received a counterpart hereof executed by the other party hereto. In the event that any signature is delivered by facsimile transmission, or by e-mail delivery of a ".pdf' format data file, such signature will create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile signature page were an original thereof.

6.10 Severability. If any provision of this Agreement is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired thereby, and the parties will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, will incorporate such substitute provision in this Agreement.

6.11 Remedies. Each of the parties acknowledges that the other party would be irreparably damaged and would not have an adequate remedy at law for money damages in the event that any of the covenants contained in this Agreement was not performed in accordance with its terms or otherwise was materially breached. Accordingly, each of the parties agrees that, without the necessity of proving actual damages or posting bond or other security, the other party will be entitled to temporary or permanent injunction or injunctions, upon proper showing, to prevent breaches of such performance and to specific enforcement of such covenants in addition to any other remedy to which the party may be entitled, at law or in equity.

6.12 Independent Nature of Purchasers' Obligations and Rights. The obligations of the Purchaser under this Agreement are several and not joint with the obligations of any Other Purchaser pursuant to any Other Purchase Agreement, and the Purchaser shall not be responsible in any way for the performance of the obligations of any Other Purchaser under any Other Purchase Agreement. The decision of the Purchaser to purchase the Shares pursuant to this

Agreement has been made by the Purchaser independently of any Other Purchaser and independently of any information, materials, statements or opinions as to the business, affairs, operations, assets, properties, liabilities, results of operations, condition (financial or otherwise) or prospects of the Company or any Subsidiary which may have been made or given by any Other Purchaser or by any agent or employee of any Other Purchaser, and neither the Purchaser nor any of its agents or employees shall have any liability to any Other Purchaser (or any other Person) relating to or arising from any such information, materials, statements or opinions. Nothing contained herein, and no action taken by the Purchaser pursuant hereto or thereto, shall be deemed to create a presumption that the Purchaser is in any way acting in concert or as a group with any Other Purchaser with respect to such obligations or the transactions contemplated by this Agreement. The Purchaser and the Other Purchasers shall be entitled to independently protect and enforce their rights, including the rights arising out of this Agreement, the Registration Rights Agreement and the Other Purchase Agreements, and it shall not be necessary for any other investor to be joined as an additional party in any proceeding for such purpose.

6.13 Termination.

(a) This Agreement may be terminated prior to the Closing:

(i) by mutual written agreement of the Company and the Purchaser;

(ii) by any party, upon written notice to the other party, in the event that the Closing does not occur on or before the Outside Date (as such Outside Date may be extended pursuant to Section 2.2 of this Agreement); provided that the parties acknowledge that all consents from any Governmental Authorities described in Section 5.l(d) must be received as soon as reasonably practicable in order for the Purchaser to be able to consummate the transactions contemplated by this Agreement on or before December 31, 2012; provided, further, that the right to terminate this Agreement pursuant to this Section 6.13(a)(ii) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date;

(iii) by the Purchaser, upon written notice to the Company, if (A) there has been a breach of any representation, warranty, covenant or agreement made by the Company in this Agreement, or any such representation and warranty shall have become untrue after the date of this Agreement, such that Section 5.l(a) or Section 5.l(b) would not be satisfied and (B) such breach or condition is not curable or, if curable, is not cured prior to the date that would otherwise be the Closing Date in absence of such breach or condition; provided that the right of the Purchaser to terminate this Agreement pursuant to this Section 6.13(a)(iii) shall not be available if the Purchaser is in material breach of any of the terms of this Agreement;

(iv) by the Company, upon written notice to the Purchaser, if (A) there has been a breach of any representation, warranty, covenant or agreement made by the Purchaser in this Agreement, or any such representation and warranty shall have become untrue after the date of this Agreement, such that Section 5.2(a) or Section 5.2(b) would not be satisfied and (B) such breach or condition is not curable or, if curable, is not cured prior to the date that would otherwise be the Closing Date in absence of such breach or condition; provided that the right of the Company to terminate this Agreement pursuant to this Section 6.13(a)(iv) shall not be available if the Company is in material breach of any of the terms of this Agreement;

(v) by any party, upon written notice to the other parties, in the event that any Governmental Authority shall have issued any order, decree or injunction or taken any other action restraining, enjoining or prohibiting any of the transactions contemplated by this Agreement, and such order, decree, injunction or other action shall have become final and nonappealable; or

(vi) by the Purchaser, upon written notice to the Company, if the Purchaser or any of its Affiliates receives written notice from or is otherwise advised by, the Federal Reserve that the Federal Reserve will not grant (or intends to rescind or revoke if previously granted) any of the written confirmations or determinations referred to in Section 5.l(k).

(c) Nothing in this Section 6.13 will be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement. Upon a termination of this Agreement in accordance with this Section 6.13, this Agreement (other than Section 4.6 (except, in respect of any party, in connection with litigation against it by the other party or its Affiliates), Section 4.7 and ARTICLE VI (including, without limitation, this Section 6.13 and Section 6.14), which shall remain in full force and effect) shall forthwith become wholly void and of no further force and effect; provided, that nothing herein shall relieve any party from liability for willful breach of this Agreement.

6.14 Replacement of Shares. If any certificate evidencing any Shares is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate, but only upon receipt of evidence reasonably satisfactory to the Company a:µd the Transfer Agent of such loss, theft or destruction and the execution by the holder thereof of a customary lost certificate affidavit of that fact and an agreement to indemnify and hold harmless the Company and the Transfer Agent for any losses in connection therewith or, if required by the Transfer Agent, a bond in such form and amount as is required by the Transfer Agent. The applicants for a new certificate under such circumstances shall also pay any reasonable third-party costs associated with the issuance of such replacement certificate. If a replacement certificate evidencing any Shares is requested due to a mutilation thereof, the Company may require delivery of such mutilated certificate as a condition precedent to any issuance of a replacement.

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[SIGNATURE PAGE FOR COMPANY FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

COMMUNITY TRUST FINANCIAL CORPORATION

By: /s/ Drake D. Mills

Drake D. Mills

Chairman, President and CEO

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[SIGNATURE PAGE FOR PURCHASER FOLLOWS]

BANC FUND VIII L.P.

By: MidBanc VIII L.P.
an Illinois limited partnership
Its General Partner

By: THE BANC FUNDS COMPANY, L.L.C.
an Illinois limited liability company
Its General Partner

By: /s/ Charles J. Moore
Charles J. Moore, Member

[SIGNATURE PAGE TO SECURITIES PURCHASE AGREEMENT]

EXHIBITS

A: Stock Certificate Questionnaire

B: Form of Opinion of Company Counsel

C: Form of Secretary's Certificate

D: Form of Officer's Certificate

E: Form of Registration Rights Agreement

EXHIBIT A

Stock Certificate Questionnaire

Pursuant to Section 2.2(b) of the Agreement, please provide us with the following information:

1. The exact name that the Shares are to be registered in (this is the name that will appear on the stock certificate(s)). You may use a nominee name if appropriate:

BANC FUND VIII L.P.

2. The relationship between the Purchaser of the Shares and the Registered Holder listed in response to Item 1 above:

BENEFICIAL OWNER

3. The mailing address, telephone and telecopy number of the Registered Holder listed in response to Item 1 above:

BANC FUND VIII L.P.
20 N. WACKER DRIVE, SUITE 3300
CHICAGO, IL 60606
Attention: T. Murphy
Telephone: 312-855-6202
Fax: 312-855-6610

4. The Tax Identification Number (or, if an individual, the Social Security Number) of the Registered Holder listed in response to Item 1 above:

26-2334080

EXHIBIT B

Form of Opinion of Counsel

_____, 2012

Ladies and Gentlemen:

We have acted as special counsel to Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** in connection with the issuance and sale by the Company of _____ shares (the **"Shares")** of common stock,· par value $5.00 per share **("Common Stock"),** to _____ (the **"Purchaser"),** pursuant to that certain Securities Purchase Agreement by and between the Company and the Purchaser dated as of _____, 2012 (the **"Agreement"),** This opinion is being given pursuant to Section 2.3(a)(iii) of the Agreement. Capitalized terms not defined herein shall have the meanings given to them in the Agreement.

A. Basis of Opinion.

As the basis for the conclusions expressed in this opinion, we have reviewed and relied upon the following:

1. The Agreement and the related schedules and exhibits thereto;

2. The Registration Rights Agreement by and between the Company, the Purchaser and the other parties named therein, dated as of _____, 2012 (the **"Registration Rights Agreement"),** and all related schedules and exhibits thereto;

3. The Other Purchase Agreements and the related schedules and exhibits thereto;

4. A copy, certified by the Louisiana Secretary of State on _____ 2012, of the Articles of Incorporation of the Company;

5. The Bylaws of the Company, as certified to us by the Company;

6. Certificates, dated as of the date hereof, containing representations to this firm as to certain factual matters and executed by certain senior officers of the Company; and

7. Certificates of [_____] , dated as of recent dates, issued by various state and federal agencies and departments.

B. Opinion.

Based upon our examination and consideration of the foregoing, subject to the comments, assumptions, limitations, qualifications and exceptions set forth in Section C below, we are of the opinion that:

1. The Company is duly registered as a financial holding company under the Bank Holding Company Act of 1956, as· amended, and has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Louisiana. The Company has the requisite corporate power and authority to carry on its business as presently conducted.

2. Community Trust Bank (the "Bank") is duly organized as a Louisiana banking corporation and is validly existing and in good standing under the laws of the State of Louisiana. The Bank has the requisite power and authority as a banking corporation to carry on its business as presently conducted.

3. The Company has the corporate power and authority to execute and deliver and to perform its obligations under the Agreement, the Other Purchase Agreements and the Registration Rights Agreement, including, without limitation, to issue the Shares pursuant to the Agreement and to issue the shares of Common Stock pursuant to the Other Purchase Agreements.

4. The Agreement, the Other Purchase Agreements and the Registration Rights Agreement have been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery by the Purchaser or the Other Purchasers, as applicable, each of the Agreement, the Other Purchase Agreements and the Registration Rights Agreement constitutes the valid and binding obligation of the Company, enforceable against the Company in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) insofar as indemnification and contributions provisions may be limited by applicable law.

5. The execution and delivery by the Company of the Agreement, the Other Purchase Agreements and the Registration Rights Agreement and the performance by the Company of its obligations under the Agreement, the Other Purchase Agreements and the Registration Rights Agreement, including its issuance and sale of the Shares, do not and will not: (a) contravene or result in any violation of the Articles of Incorporation or Bylaws of the Company, (b) require any consent, approval, license or exemption by, order or authorization of, or filing, recording or registration by the Company with any federal or state governmental authority (except as expressly contemplated by the Registration Rights Agreement), (c) violate any court order, judgment or decree, if any, applicable to or binding upon the Company or the Bank, (d) result in a breach of, or constitute a default under, any material contract to which the Company or the Bank is a party or by which any of their respective assets may be bound, or (e) violate or conflict with, or result in any contravention of, any federal, Louisiana or Louisiana law, rule or regulation applicable to the Company or the Bank.

6. The Shares have been duly and validly authorized and, when issued, delivered and paid for as contemplated in the Agreement, will be duly and validly issued, fully paid and non-assessable, and free of any preemptive right or similar rights contained in the Company's Articles of Incorporation or Bylaws.

7. The offer, sale and issuance of the Shares to the Purchaser in the manner contemplated by the Agreement, do not require registration under the Securities Act or any state securities or blue sky laws and was made pursuant to an exemption from registration afforded by Section 4(2) of the Securities Act and Regulation D promulgated thereunder.

8. Neither the Company nor any of its Subsidiaries is an "investment company" under the Investment Company Act of 1940, as amended.

C. Comments, Assumptions, Limitations, Qualifications and Exceptions.

The opinions expressed herein are based upon, and subject to, the further comments, assumptions, limitations, qualifications and exceptions set forth below.

1. We have assumed that (a) all factual information contained in all documents reviewed by us is true and correct, (b) all signatures on all documents reviewed by us are genuine, (c) all documents submitted as copies are true and complete copies of the originals thereof, (d) the Purchaser has all power and authority to execute, deliver, and perform its obligations under the Agreement and the Registration Rights Agreement, (e) the Agreement and the Registration Rights Agreement have been duly and validly authorized, executed, and delivered by the Purchaser, (f) the Agreement and the Registration Rights Agreement are valid and binding obligations of the Purchaser, enforceable against the Purchaser in accordance with their respective terms, (g) the Purchaser has delivered the

full Purchase Price for the Shares to be acquired pursuant to the Agreement, (h) each natural person signing any document reviewed by this firm had the legal capacity to do so, and (i) each person signing in a representative capacity for the Purchaser any document reviewed by this firm had authority to sign in such capacity.

2. With respect to factual matters relevant to our opinions, this firm has reviewed and relied solely upon the representations of the Company and the Purchaser made in the Agreement and in certificates of officers of the Company referred to in Section A above, and we have not undertaken to verify independently any of such factual matters, provided that nothing has come to our attention that caused us to believe such representations and certificates contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

3. In rendering the opinions set forth in Paragraph B.1 with respect to the good standing of the Company, we have relied solely on certificates of state authorities of the Company's good standing that this firm received in response to this firm's requests for confirmation of such good standing in such jurisdictions. In rendering the opinion set forth in Paragraph B.1 with respect to the registration of the Company as a financial holding company under the Bank Holding Company Act of 1956, as amended, we have relied solely on correspondence from the Federal Reserve Bank of Dallas received in response to this firm's request for confirmation of such registration and election of treatment. By necessity, our opinions set forth in Paragraphs B.1 are given as of the date of such certificates or correspondence. Nothing has come to our attention that would cause us to believe that such opinions have ceased to be valid as of the date of this opinion letter.

4. In rendering the opinion set forth in Paragraph B.4.(d), we have relied exclusively on our review of the Company's and the Bank's "material contracts" within the meaning of Item 60l(b)(10) of Regulation S-K promulgated by the Securities and Exchange Commission, that have been identified and disclosed to us by the Company and the Bank.

5. We express no opinion as to the laws of any jurisdiction other than the State of Louisiana and the federal laws of the United States of America. We express no opinion under the laws of the State of Louisiana or the federal laws of the United States of America with respect to any environmental, securities (other than as set forth in Paragraph B.6), tax or antitrust laws. We also express no opinion with respect to compliance by the Company or any other person with the Employee Retirement Income Security Act of 1974, or any comparable state laws.

6. Except as expressly set forth herein, we have made no independent investigation as to the accuracy or completeness of any representation, warranty, or other factual information, written or oral, made or furnished in connection with the documents referred to in Section A hereof, and no matters have come to our attention that would warrant such an investigation.

7. We have assumed that the parties to the Agreement have acted and will act in good faith.

8. Although we have acted as counsel to the Company in connection with certain matters other than the transactions contemplated by the Agreement, the Other Purchaser Agreements and the Registration Rights Agreement, our engagement is limited to certain matters about which we have been consulted. Consequently, there may exist matters of a factual or legal nature involving the Company as to which we have not been consulted and have not represented the Company.

9. This opinion is rendered based upon our interpretation of existing law, to the extent specified in Paragraph C.4, and is not intended to speak with reference to standards hereafter adopted or evolved in subsequent judicial decisions by courts. The opinions expressed herein are as of the date hereof, and we assume no obligation to update or supplement such opinions to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

10. This opinion letter is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein.

11. This opinion letter is delivered solely for your benefit, and no other party or entity is entitled to rely hereon without the express prior written consent of this firm.

Very truly yours,

[_____]

EXHIBIT C

Form of Secretary's Certificate

The undersigned hereby certifies that he is the duly elected, qualified and acting Corporate Secretary of Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** and that as such he is authorized to execute and deliver this certificate in the name and on behalf of the Company and in connection with the Securities Purchase Agreement, dated as of 2012, by and between the Company and the Purchaser party thereto (the **"Securities Purchase Agreement"),** and further certifies in her official capacity, in the name and on behalf of the Company, the items set forth below. Capitalized terms used but not otherwise defined herein will have the meaning set forth in the Securities Purchase Agreement.

1. Attached hereto as Exhibit A is a true, correct and complete copy of the resolutions duly adopted by the Board of Directors of the Company relating to the proposed transaction. Such resolutions have not in any way been amended, modified, revoked or rescinded, have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect.

2. Attached hereto as Exhibit B is a true, correct and complete copy of the Articles of Incorporation of the Company, together with all amendments thereto currently in effect, and no action has been taken to further amend, modify or repeal such Articles of Incorporation, the same being in full force and effect in the attached form as of the date hereof.

3. Attached hereto as Exhibit C is a true, correct and complete copy of the Bylaws of the Company, together with all amendments thereto currently in effect, and no action has been taken to further amend, modify or repeal such Bylaws, the same being in full force and effect in the attached form as of the date hereof.

4. Each person listed below has been duly elected or appointed to the position(s) indicated opposite his name and is duly authorized to sign the Securities Purchase Agreement and the related Registration Rights Agreement on behalf of the Company, and the signature appearing opposite such person's name below is such person's genuine signature.

Name	**Position**	**Signature**
Drake D. Mills	Chairman, President and CEO	_____

IN WITNESS WHEREOF, the undersigned has hereunto set his hand as of this ____ day of _____, 2012.

_____

Secretary

I, Drake D. Mills, Chairman, President and CEO, hereby certify that _____ is the duly elected, qualified and acting Secretary of the Company and that the signature set forth above is his true signature.

Drake D. Mills
Chairman, President and CEO

EXHIBIT D

Form of Officer's Certificate

The undersigned, the Chairman, President and CEO of Community Trust Financial Corporation, a Louisiana corporation (the **"Company"),** pursuant to Section 2.3(a)(vi) of the Securities Purchase Agreement, dated as of , 2012, by and between the Company and the Purchaser thereto (the **"Securities Purchase Agreement"),** hereby represents, warrants and certifies as follows (capitalized terms used but not otherwise defined herein shall have the meaning set forth in the Securities Purchase Agreement):

1. The representations and warranties of the Company contained in the Securities Purchase Agreement are true and correct as of the date when made and as of the Closing Date, as though made on and as of such date; except for such representations and warranties that speak as of a specific date.

2. The Company has performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Securities Purchase Agreement to be performed, satisfied or complied with by it at or prior to the Closing.

3. No Material Adverse Effect has occurred since the date of the Securities Purchase Agreement.

IN WITNESS WHEREOF, the undersigned has executed this certificate this ___ day of _____, 2012.

Drake D. Mills
Chairman, President and CEO

EXHIBIT E

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "**Agreement**") is made as of this ___ day of _____, 2012, by and among Community Trust Financial Corporation, a Louisiana corporation (the "**Company**"), the investors identified on the signature pages hereto and such other persons or entities that may become parties to this Agreement (collectively, the "**Holders**" and each individually a "**Holder**").

RECITALS

WHEREAS, the Company and the Holders are parties to certain Securities Purchase Agreements, dated as of the date hereof (the "**Securities Purchase Agreements**"), whereby the Holders have agreed to purchase and the Company has agreed to issue shares of the Company's common stock, par value $5.00 per share ("**Common Stock**"); and

WHEREAS, the Company and the Holders desire to be granted and to grant the rights created herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

(a) All capitalized terms used and not otherwise defined herein shall have the meanings given them in the Securities Purchase Agreements.

(b) "**Agreement**" has the meaning set forth in the Preamble.

(c) "**Beneficial Ownership**" by a Person of any securities includes ownership by any Person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares (i) voting power which includes the power to vote, or to direct the voting of, such security; and/or (ii) investment power which includes the power to dispose, or to direct the disposition, of such security; and shall otherwise be interpreted in accordance with the term "beneficial ownership" as defined in Rule 13d-3 adopted by the Commission under the Exchange Act. The term "Beneficially Own" shall have a correlative meaning.

(d) **"Business Day"** means any day other than a Saturday or a Sunday or a day on which Louisiana state banks are authorized or required by Law or executive order to close.

(e) "**Capital Stock**" means, with respect to any Person at any time, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of capital stock, securities convertible into or exchangeable or exerciseable for any of its shares, interests, participations or other equivalents, partnership interests (whether general or limited), limited liability company interests, or equivalent ownership interests in or issued by such Person.

(f) "**Commission**" shall mean the United States Securities and Exchange Commission, or any other federal agency at the time administering the Securities Act.

(g) "**Common Stock**" has the meaning set forth in the Recitals.

(h) "**Cutback Notice**" has the meaning set forth in Section 2(c).

(i) "**Demanding Holders**" has the meaning set forth in Section 2(a).

(j) "**Demanding Notice**" has the meaning set forth in Section 2(a).

(k) "**Demand Registration**" has the meaning set forth in Section 2(a).

(l) "**Demand Suspension**" has the meaning set forth in Section 6(b).

(m) "**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended, or any similar federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

(n) "**FINRA**" has the meaning set forth in Section 5(l).

(o) "**Holder(s)**" has the meaning set forth in the Preamble.

(p) "**Holder Indemnitees**" has the meaning set forth in Section 7(a).

(q) "**Indemnified Party**" has the meaning set forth in Section 7(b).

(r) "**Indemnifying Party(ies)**" has the meaning set forth in Section 7(b).

(s) "**Initial Public Offering**" means the first underwritten public offering of Common Stock (or Other Securities) to the general public through a Registration Statement filed with the Commission.

(t) "**Inspectors**" has the meaning set forth in Section 5(p).

(u) "**JOBS Act**" means the Jumpstart Our Business Startups Act of 2012.

(v) "**Law**" means any federal, state, local or foreign statute, ordinance, law, rule, regulation, order, judgment, decree, agency requirement or legal requirement (including federal and state securities laws.

(w) "**Losses**" has the meaning set forth in Section 7(a).

(x) "**Other Securities**" means shares of Common Stock or shares of other Capital Stock of the Company which are contractually entitled to registration rights or Capital Stock which the Company is registering pursuant to a registration statement.

(y) "**Person**" shall mean an individual, a corporation, a partnership, a limited liability company, a joint venture, a trust, an estate, an unincorporated organization, a government and any agency or political subdivision thereof.

(z) "**Piggyback Registration**" has the meaning set forth in Section 3(a).

(aa) "**Prospectus**" means the prospectus included in any Registration Statement (including a prospectus that discloses information previously omitted from a prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities (and if applicable, Other Securities) covered by such Registration Statement, any free writing prospectus related thereto, and all other amendments and supplements to such prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such prospectus.

(bb) "**Records**" has the meaning set forth in Section 5(p).

(cc) "**Registrable Securities**" shall mean (i) the Shares (as defined in the Securities Purchase Agreements) of Common Stock issued pursuant to the Securities Purchase Agreements; (ii) any shares of Common Stock acquired by the Holders in addition to those referred to in clause (i) after the date of this Agreement and prior to the date of an Initial Public Offering and (iii) any Other Securities issued to the Holders in respect of such Shares of Common Stock referred to in clauses (i) and (ii) (or Other Securities into which or for which such shares of Common Stock are so changed, converted or exchanged) upon any reclassification, share combination, share subdivision, share dividend, share exchange, merger, consolidation or similar transaction or event, provided that such shares of Common Stock and Other Securities (if any) shall cease to be Registrable Securities after they have been sold or transferred

pursuant to an effective Registration Statement or pursuant to Rule 144 under the Securities Act or shall have ceased to be outstanding.

(dd) "**Registration Statement**" means any Registration Statement of the Company under the Securities Act which permits the public offering of any of the Registrable Securities (and, if applicable, Other Securities) pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all material incorporated by reference or deemed to be incorporated by reference in such Registration Statement.

(ee) "**Registration Expenses**" shall mean all expenses incurred in effecting the registrations provided for in this Agreement, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Company, underwriting expenses (other than fees, commissions or discounts), expenses of any Company audits incident to or required by any such registration and Company expenses of complying with the securities or blue sky laws of any jurisdictions, and fees and disbursements of all independent certified public accountants (including, without limitation, the expenses of any "cold comfort" letters required) and any other Persons, including special experts retained by the Company, and reasonable out-of-pocket expenses of the selling Holders, including without limitation, fees and disbursements of counsel for such Holders whose shares are included in a Registration Statement, which counsel shall be mutually selected by the Demanding Holders (in the case of a registration pursuant to Section 2) or by the Holders Beneficially Owning a majority of the Registrable Securities included on such Registration Statement.

(ff) "**Rule 144**" shall mean Rule 144 under the Securities Act or any successor rule thereto.

(gg) "**Securities Act**" shall mean the Securities Act of 1933, as amended, or any similar federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

(hh) "**Securities Purchase Agreement**" has the meaning the meaning set forth in the Recitals.

(ii) "**Shelf Registration Statement**" means a Registration Statement of the Company filed with the Commission for an offering to be made on a continuous or delayed basis pursuant to Rule 415 under the Securities Act covering Registrable Securities.

(jj) "**Shelf Take-Down Notice**" has the meaning set forth in Section 4(b).

(kk) "**Shelf Underwritten Offering**" has the meaning set forth in Section 4(b).

2. Demand Registrations.

(a) At any time (x) on or after December 31, 2015 one or more Holders Beneficially Owning Registrable Securities (A) representing at least fifteen percent (15%) of the then-outstanding shares of Registrable Securities or (B) that are reasonably expected to result in aggregate gross cash proceeds in excess of $50 million (without regard to any underwriting discount or commission), or (y) on or after the one hundred and eightieth (180^{th}) day following the occurrence of an Initial Public Offering, such Holders (the "**Demanding Holders**") shall have the right, by delivering written notice to the Company (a "**Demand Notice**"), to require the Company to, pursuant to the terms of this Agreement, register under and in accordance with the provisions of the Securities Act the number of Registrable Securities Beneficially Owned by such Holders and requested by such Demand Notice to be so registered (a "**Demand Registration**") provided; however, that it shall be a condition to making a Demand Registration under clause (y) above that the aggregate offering price of the Registrable Securities to be registered by the Demanding Holders is at least $25,000,000. A Demand Notice shall also specify the expected method or methods of disposition of the applicable Registrable Securities. Upon receipt of such Demand Notice, the Company will notify all other Holders (other than the Demanding Holders) in writing and such other Holders shall have the right to request the Company to include all or a portion of such other Holders' Registrable Securities in such Demand Registration by written notice delivered to the Company within fifteen (15) calendar days after such notice is given by the Company.

(b) Following receipt of a Demand Notice, subject to Section 2(c), Section 4 and, Section 6 and Section 16(h), the Company will use its reasonable best efforts to file, as promptly as reasonably practicable (but not later than ninety (90) calendar days after receipt by the Company of such Demand Notice in the case of a registration

made on Form S-1 or comparable successor form, as applicable, or sixty (60) calendar days in the case of any registration eligible to be made on Form S-3 or comparable successor form, as applicable), a Registration Statement relating to the offer and sale of the Registrable Securities requested to be included therein by the Holders thereof in accordance with the methods of distribution elected by such Demand Holders (to the extent not prohibited by applicable Law) and shall use its reasonable best efforts to cause such Registration Statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof (and in any event in accordance with Section 5), provided that if such Demand Notice relates to a Shelf Registration Statement, the provisions of Section 4 shall apply. The Holders shall have the right to request two (2) registrations per year pursuant to this Section 2. Demanding Holders holding at least a majority of the Registrable Securities held by the Demanding Holders shall have the right to notify the Company that they have determined that the Registration Statement and/or Shelf Registration Statement relating to a Demand Registration be abandoned or withdrawn, in which event the Company shall promptly abandon or withdraw such Registration Statement and/or Shelf Registration Statement. In the event any registration attempted under this Section 2 pursuant to which the Company would be responsible for the Registration Expenses of the Holders is not consummated, then the Company shall pay such expenses and shall remain responsible for such expenses of the Holders with respect to two (2) consummated registrations per year made under this Section 2; provided, however, that if a registration attempted under this Section 2 is not consummated solely as a result of the withdrawal of the Holders requesting such registration, unless such Holders reimburse the Registration Expenses incurred by the Company, such Registration Statement shall count against the two (2) Registration Statements that the Company is required to a consummate per year. In any Demand Registration involving an underwritten offering, the investment banker or investment bankers and manager or managers that will administer the offering will be selected by the Demanding Holders, subject to approval of the Company not to be unreasonably withheld.

(c) A Registration Statement filed pursuant to a Demand Notice may include Other Securities; provided, however, that the Company and any other such requesting holders agree in writing to enter into an underwriting agreement with usual and customary terms and to any lock-up or similar limitations applicable to the Holders. Notwithstanding any other provisions of this Section 2, if the representative of the underwriters advises the Holders and the Company in writing (a "**Cutback Notice**") that it is their good faith opinion that the total number or dollar amount of Registrable Securities proposed to be sold in such offering, together with any Other Securities proposed to be included by holders thereof which are entitled to include securities in such Registration Statement, exceeds the total number or dollar amount of such securities that can be sold without having an adverse effect on the price, timing or distribution of the Registrable Securities to be so included together with all such Other Securities, then there shall be included in such underwritten offering the number or dollar amount of Registrable Securities and such Other Securities that in the opinion of such managing underwriter(s) can be sold without so adversely affecting such offering, and such number of Registrable Securities and Other Securities shall be allocated for inclusion as follows: (i) first, to the Holder(s) requesting inclusion in such registration, pro rata among such Holder(s) on the basis of the number of shares of Registrable Securities for which each such Holder has requested registration, (ii) second, to the Company for any securities it proposes to sell for its own account, and (iii) third, to the other holders requesting inclusion in the registration, pro rata among the respective holders thereof on the basis of the number of shares for which each such requesting holder has requested registration. If a Person who has requested inclusion in such registration as provided above does not agree to the terms of any such underwriting, such Person shall be excluded therefrom by written notice from the Company, the underwriter or the Holder(s). The securities so excluded shall also be withdrawn from registration. A registration shall not be counted as "consummated" for purposes of the two (2) registrations per year requirement if, as a result of a Cutback Notice, fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

(d) Except as provided in Section 2(b) with respect to withdrawn Registration statements, all Registration Expenses of the Holders incurred in connection with two (2) registrations per year requested pursuant to this Section 2 shall be borne by the Company.

3. "Piggy-Back" Registrations.

(a) Except with respect to a Demand Registration, the procedures of which are addressed in Section 2, if, at any time, the Company intends to file a registration statement under the Securities Act covering a primary or secondary offering of any of its Common Stock or Other Securities, whether or not the sale for its own account which is not a registration solely to implement an employee benefit plan pursuant to a registration statement

on Form S-8, a registration statement on Form S-4 (or successor form) or a transaction to which Rule 145 or any other similar rule of the Commission is applicable, the Company will promptly (and in any event at least twenty (20) calendar days before the anticipated filing date) give written notice to the Holders of its intention to effect such a registration. Subject to Section 3(b) below and consultation with the underwriters, the Company will effect the registration under the Securities Act of all Registrable Securities that the Holder(s) request(s) be included in such registration (a "**Piggyback Registration**") by a written notice delivered to the Company within fifteen (15) calendar days after the notice given by the Company in the preceding sentence. The Holders agree that any securities they request to be included in a Company registration pursuant to this Section 3 shall be included by the Company on the same form of Registration Statement as has been selected by the Company for the securities the Company is registering for sale referred to above. The Holders shall be permitted to withdraw all or part of the Registrable Securities from the Piggyback Registration at any time at least two (2) Business Days prior to the effective date of the Registration Statement relating to such Piggyback Registration.

(b) If the registration involves an underwritten offering and the representative of the underwriters provides the Company and the other Holders seeking to include securities in such offering in writing a Cutback Notice, then the number of Registrable Securities and Other Securities sought to be included in such registration shall be allocated for inclusion as follows: (i) if such registration is being effected by the Company, (A) first, to the Company for any securities it proposes to sell for its own account, (B) second, to the Holder(s) requesting inclusion in such registration, pro rata among such Holder(s) on the basis of the number of shares of Registrable Securities for which each such Holder has requested registration, and (C) third, to the other holders requesting inclusion in the registration, pro rata among the respective holders thereof on the basis of the number of Other Securities for which each such requesting holder has requested registration; and (ii) if such registration is being effected by a Person other than the Company or the Holders, in accordance with Section 2(c) above.

(c) If the Company elects to terminate any registration filed under this Section 3 prior to the effectiveness of such registration, the Company will have no obligation to register the securities sought to be included by the Holders in such registration under this Section 3. All the Registration Expenses incurred in connection with any registration, qualification or compliance hereunder shall be borne by the Company. Without limiting the foregoing, the Company shall bear its internal expenses (including all salaries and expenses of their officers and employees performing legal, accounting or other duties) and expenses of any person, including special experts, retained by the Company. If the Company includes in such registration any securities to be offered by it, all Registration Expenses of the Holders will be borne by the Company. There shall be no limit to the number of Piggybank Registrations pursuant to this Section 3.

4. Shelf Take-Downs.

(a) The Company shall use reasonable best efforts to qualify for registration on a Shelf Registration Statement on Form S-3 as promptly as possible following the occurrence of the Initial Public Offering. Without limiting the foregoing, once the Company is eligible to effect a registration of its securities on a Shelf Registration Statement (including on Form S-1), any Holder will have the right to elect in the Demand Notice for any Demand Registration to be made on a Shelf Registration Statement, in which event the Company shall file with the Commission, as promptly as reasonably practicable, but not later than forty (45) calendar days after receipt by the Company of such Demand Notice (subject to Section 6), a Shelf Registration Statement relating to the offer and sale of the Registrable Securities requested to be included therein by the Holders thereof from time to time in accordance with the methods of distribution elected by such Holders (to the extent not prohibited by applicable Law) and shall use its reasonable best efforts to cause such Shelf Registration Statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof. Upon receipt of such Demand Notice, the Company will notify all other Holders (other than the Demanding Holders) in writing and such other Holders shall have the right to request the Company to include all or a portion of such other Holders' Registrable Securities in such Demand Registration by written notice delivered to the Company within fifteen (15) days after such notice is given by the Company.

(b) At any time that a Shelf Registration Statement covering Registrable Securities pursuant to Section 2 or Section 3 is effective, if a Holder delivers a notice to the Company (a "**Shelf Take-Down Notice**") stating that one or more of the Holders intends to effect an underwritten offering of all or part of the Registrable Securities included by the Holders on the Shelf Registration Statement (a "**Shelf Underwritten Offering**") and stating the number

of the Registrable Securities to be included in such Shelf Underwritten Offering, then the Company shall amend or supplement the Shelf Registration Statement as may be necessary in order to enable such Registrable Securities to be distributed pursuant to the Shelf Underwritten Offering (taking into account the inclusion of Other Securities by any other holders).

(c) The Company shall deliver the Shelf Take-Down Notice to all other Holders whose securities are included on such Shelf Registration Statement and permit each Holder to include its Registrable Securities included on the Shelf Registration Statement in the Shelf Underwritten Offering if such other Holder notifies the Company within five (5) Business Days after delivery of the Shelf Take-Down Notice to such other Holder.

(d) If a Shelf Underwritten Offering is being conducted and the representative of the underwriters provides the Company and the other holders seeking to include securities in such offering in writing a Cutback Notice, then the number of Registrable Securities and Other Securities sought to be included in such Shelf Underwritten Offering shall be allocated for inclusion in accordance with Section 2(c).

(e) All Registration Expenses incurred in connection with such registration requested pursuant to this Section 4 shall be borne by the Company.

5. Procedure for Registration. Whenever the Company is required under this Agreement to register Registrable Securities, it agrees to do the following:

(a) prepare and file with the Commission a Registration Statement or Registration Statements on such form which shall be available for the sale of the Registrable Securities by the Holders or the Company in accordance with the intended method or methods of distribution thereof and use its commercially reasonable efforts to keep such Registration Statement continuously effective for one hundred eighty (180) calendar days (and, with respect to Shelf Registration Statements, for up to two (2) years each, if requested by the Holders selling Registrable Securities to complete the proposed distribution; upon the occurrence of any event that would cause the Registration Statement or the Prospectus contained therein to contain a material misstatement or omission, the Company shall file promptly an appropriate amendment to such Registration Statement correcting any such misstatement or omission;

(b) cause the Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 under the Securities Act, and to comply fully with the applicable provisions of Rules 424 and 430A under the Securities Act in a timely manner; and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the sellers thereof set forth in such Registration Statement or supplement to the Prospectus;

(c) advise the underwriter(s), if any, and selling Holders promptly and, if requested by such Persons, to confirm such advice in writing, (i) when the Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to the Registration Statement or any post-effective amendment thereto, when the same has become effective, (ii) of any request by the Commission for amendments to the Registration Statement or amendments or supplements to the Prospectus or for additional information relating thereto, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement under the Securities Act or of the suspension by any state securities commission of the qualification of the Registrable Securities for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes, or (iv) of the existence of any fact or the happening of any event that makes any statement of a material fact made in the Registration Statement, the Prospectus, any amendment or supplement thereto, or any document incorporated by reference therein untrue, or that requires the making of any additions to or changes in the Registration Statement or the Prospectus in order to make the statements therein not misleading (provided that such notice shall not include specific information about any such fact or event if that information would constitute material non-public information about the Company). If at any time the Commission shall issue any stop order suspending the effectiveness of the Registration Statement or any state securities commission or other regulatory authority shall issue an order suspending the qualification or exemption from qualification of the Registrable Securities under state securities or blue sky laws, the Company shall use its reasonable best efforts to obtain the withdrawal or lifting of such order at the earliest possible time;

(d) before filing a Registration Statement or Prospectus or any amendments or supplements thereto (including documents that would be incorporated or deemed to be incorporated therein by reference), furnish to each of the selling Holders, their counsel and each of the underwriter(s), if any, at least five (5) Business Days before filing with the Commission, copies of the Registration Statement or any Prospectus included therein or any amendments or supplements to any such Registration Statement or Prospectus (including all documents incorporated by reference after the initial filing of such Registration Statement), which documents will be subject to the reasonable review and comment, and such other documents reasonably requested and the Company will consult with the selling Holders of Registrable Securities covered by such Registration Statement, their counsel and the underwriter(s), if any, prior to the filing of such Registration Statement or Prospectus and provide such Persons reasonable opportunity to participate in the preparation of such Registration Statement and each Prospectus included therein. The Company will not file any such Registration Statement or Prospectus or any amendments or supplements thereto (including such documents that, upon filing, would be incorporated or deemed to be incorporated by reference therein) with respect to a Demand Registration to which any Holder, its counsel, or the managing underwriter(s), if any, shall reasonably object, in writing, on a timely basis, unless, in the opinion of the Company, such filing is necessary to comply with applicable Law;

(e) if requested by any selling Holder or the underwriter(s), if any, incorporate in the Registration Statement or Prospectus, pursuant to a supplement or post-effective amendment if necessary, such information as such selling Holder and underwriter(s), if any, may reasonably request to have included therein, with respect to the number of Registrable Securities being sold by such Holder, the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering and make all required filings of such Prospectus supplement or post-effective amendment as soon as practicable after the Company is notified of the matters to be incorporated in such Prospectus supplement or post-effective amendment;

(f) (i) deliver promptly to the selling Holders copies of all correspondence between the Commission and the Company, its counsel or auditors including any comment and response letters with respect to the Registration Statement; provided that the Company shall not provide information to the selling Holders that the Company believes could constitute material non-public information, and (ii) if requested by selling Holders, keep such selling Holders informed with respect to the substance of any discussions with the Commission or its staff regarding the Registration Statement;

(g) furnish to each selling Holder and each of the underwriter(s), if any, without charge, at least one copy of the Registration Statement, as first filed with the Commission, and of each amendment thereto, including all documents incorporated by reference therein and all exhibits (including exhibits incorporated therein by reference);

(h) deliver to each selling Holder and each of the underwriter(s), if any, without charge, as many copies of the Prospectus (including each preliminary Prospectus) and any amendment or supplement thereto as such Persons reasonably may request; the Company hereby consents to the use of the Prospectus and any amendment or supplement thereto by each of the selling Holders and each of the underwriter(s), if any, in connection with the offering and the sale of the Registrable Securities covered by the Prospectus or any amendment or supplement thereto;

(i) prior to any public offering of Registrable Securities, the Company shall use its reasonable best efforts to register or qualify the Registrable Securities under the securities or blue sky laws of such jurisdictions as the selling Holders or underwriter(s), if any, may reasonably request and do any and all other acts or things reasonably necessary or advisable to enable the disposition in such jurisdictions of the Registrable Securities covered by the Registration Statement; provided, however, that the Company shall not be required to register or qualify as a foreign corporation where it is not now so qualified or to take any action that would subject it to the service of process in suits or to taxation, other than as to matters and transactions relating to the Registration Statement, in any jurisdiction where it is not now so subject;

(j) cooperate with the selling Holders and the underwriter(s), if any, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends; and enable such Registrable Securities to be in such denominations and registered in such names as the Holders or the underwriter(s), if any, may request prior to any sale of Registrable Securities made by such underwriter(s);

(k) if any fact or event contemplated by Section 5(c)(iv) above shall exist or have occurred, promptly prepare a supplement or post-effective amendment to the Registration Statement or related Prospectus or any

document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of Registrable Securities, the Prospectus will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading;

(l) cooperate and assist in any filings required to be made with the Financial Industry Regulatory Authority ("**FINRA**") and in the performance of any due diligence investigation by any underwriter (including any "qualified independent underwriter") that is required to be retained in accordance with the rules and regulations of the FINRA;

(m) otherwise use its reasonable efforts to comply with all applicable rules and regulations of the Commission, and make generally available to its security holders, as soon as practicable, a consolidated earnings statement meeting the requirements of the Securities Act and Rule 158 thereunder (which need not be audited) for the twelve-month period (i) commencing at the end of any fiscal quarter in which Registrable Securities are sold to underwriters in a firm or best efforts underwritten offering, or (ii) if not sold to underwriters in such an offering, beginning with the first month of the Company's first fiscal quarter commencing after the effective date of the Registration Statement;

(n) prior to the effective date of the Registration Statement relating to the Registrable Securities, provide a CUSIP number for the Registrable Securities;

(o) enter into such customary agreements (including an underwriting agreement in customary form) and take all such other actions reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith or by the managing underwriter(s), if any, in order to expedite or facilitate the disposition of such Registrable Securities, and in connection therewith, whether or not an underwriting agreement is entered into and whether or not the registration is an underwritten registration, (i) make such representations and warranties to the selling Holders and the managing underwriter(s), if any, with respect to the business of the Company and its subsidiaries, and the Registration Statement, Prospectus and documents, if any, incorporated or deemed to be incorporated by reference therein, in each case, in form, substance and scope as are customarily made by issuers in underwritten offerings, and, if true, confirm the same if and when requested, (ii) use its reasonable best efforts to furnish to the selling Holders of such Registrable Securities opinions of counsel to the Company and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the managing underwriter(s), if any, and counsels to the selling Holders of the Registrable Securities), addressed to each selling Holder of Registrable Securities and each of the managing underwriter(s), if any, covering the matters customarily covered in opinions requested in underwritten offerings as may be reasonably requested by such counsel and managing underwriter(s), (iii) use its reasonable best efforts to obtain "cold comfort" letters and updates thereof from the independent certified public accountants of the Company (and, if necessary, any other independent certified public accountants of any subsidiary of the Company or of any business acquired by the Company for which financial statements and financial data are, or are required to be, included in the Registration Statement) who have certified the financial statements included in such Registration Statement, addressed to each selling Holder of Registrable Securities (unless such accountants shall be prohibited from so addressing such letters by applicable standards of the accounting profession) and each of the managing underwriter(s), if any, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with underwritten offerings, (iv) if an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures substantially to the effect set forth in Section 7 hereof with respect to all parties to be indemnified pursuant to said Section 7 except as otherwise agreed by the Holders of a majority of the Registrable Securities being sold in connection therewith and the managing underwriter(s) and (v) deliver such documents and certificates as may be reasonably requested by the Holders of a majority of the Registrable Securities being sold in connection therewith, their counsel and the managing underwriter(s), if any, to evidence the continued validity of the representations and warranties made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company. The above shall be done at each closing under such underwriting or similar agreement, or as and to the extent required thereunder;

(p) make available for inspection by any Holder of Registrable Securities included in such Registration Statement, any underwriter participating in any disposition pursuant to such Registration Statement, and any attorney, accountant or other agent retained by any such seller or underwriter (collectively, the "**Inspectors**"), all

financial and other records, pertinent corporate documents and properties of the Company and its Subsidiaries (collectively, the "**Records**"), as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors and employees to supply all information reasonably requested by any such Inspector in connection with such Registration Statement; provided, however, that records that the Company determines, in good faith, to be confidential and which it notifies the Inspectors are confidential shall not be disclosed by the Inspectors unless (i) the disclosure of such Records is necessary to avoid or correct a misstatement or omission in the Registration Statement, or (ii) the release of such Records is ordered pursuant to a subpoena or other order from a court of competent jurisdiction; provided, further, that each Holder of Registrable Securities agrees that it will, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, give notice to the Company to the extent legally permitted and allow the Company, at its expense, to undertake appropriate action and to prevent disclosure of the Records deemed confidential;

(q) provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by such Registration Statement not later than the effective date of such Registration Statement;

(r) use its reasonable best efforts to cause all Registrable Securities covered by such Registration Statement to be listed on a national securities exchange or interdealer quotation system (or, if similar Company securities are already authorized to be listed on more than one national securities exchange or interdealer quotation system, on each such exchange or system on which similar securities issued by the Company are then listed); and

(s) in the case of an underwritten offering, cause its officers to use their reasonable best efforts to support the marketing of the Registrable Securities covered by the Registration Statement (including, without limitation, by participation in "road shows") taking into account the Company's business needs.

6. Lock-Up Agreement; Suspension of Sales.

(a) Subject to Section 6(b), the Company may postpone the filing or effectiveness of any Registration Statement required under Sections 2 or 4 for a reasonable period of time, not to exceed sixty (60) calendar days, if (i) the Company has been advised by legal counsel that such filing would require the disclosure of a material non-public fact, and (ii) the Company determines reasonably and in good faith that such disclosure would be materially harmful to the Company or would have a material adverse effect on a bona fide business or financing transaction of the Company.

(b) If (i) pursuant to the good faith judgment of the Company's Board of Directors, the Company concludes, as a result of its determinations under Section 6(a), that it is essential to defer the filing or effectiveness of such Registration Statement at such time, and (ii) the Company shall furnish to the Holders a certificate signed by the President of the Company (a "**Demand Suspension**"), certifying as to the Board of Directors' determinations under Section 6(a) and that it is, therefore, essential to defer the filing or effectiveness of such Registration Statement or amendment (which certificate shall approximate the anticipated delay), then the Company shall have the right to defer such filing or effectiveness for a period of not more than ninety (90) calendar days after receipt of the request of the Holders; provided, however, that the Company shall not defer its obligation in this manner more than once in any twelve (12)-month period. In the case of any Demand Suspension relating to the suspension of an effective Shelf Registration Statement, (i) the Company shall, within the ninety (90)-day period specified above, prepare a supplement or post-effective amendment to the Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, or file any other required document so that the selling Holders may resume use thereof in accordance with applicable Law and (ii) the selling Holders agree to suspend the use of the applicable Prospectus in connection with any sale or purchase, or offer to sell or purchase, Registrable Securities, upon receipt of any such certificate imposing a Demand Suspension until the earlier of the termination of the ninety (90)-day period specified above and the date on which the Company complies with clause (i) of this sentence.

(c) The Company agrees (i) not to effect or initiate a registration statement for any public sale or distribution of any securities similar to those being registered, or any securities convertible into or exchangeable or exercisable for such securities, during the fourteen (14) calendar days prior to, and during the ninety (90) calendar-day period beginning on, the effective date of any Registration Statement in which the Holders of Registrable Securities are participating (except as part of such registration), and (ii) that any agreement entered into on or after the date of this Agreement pursuant to which the Company issues or agrees to issue any privately placed securities shall contain

a provision under which Holders of such securities agree not to effect any public sale or distribution of any such securities during the periods described in clause (i) above, in each case including a sale pursuant to Rule 144 under the Act (except as part of any such registration, if permitted).

(d) Each Holder of Registrable Securities agrees that, upon receipt of notice from the Company of the occurrence of any event of the kind described in Section 5(c)(ii-iv), such Holder will forthwith discontinue disposition of such Registrable Securities following the effective date of a Registration Statement covering such Registrable Securities until such Holder's receipt of copies of the Prospectus supplement and/or post-effective amendment contemplated by Section 5(k), or until it is advised in writing by the Company that the use of the applicable Prospectus may be resumed and, in either case, has received copies of any additional or supplemental filings that are incorporate or deemed to be incorporated by reference in such Prospectus or Registration Statement.

7. Indemnification.

(a) The Company agrees to indemnify and hold harmless each Holder and its partners (limited and general), members, shareholders, directors, officers, employees and agents and each Person, if any, who controls any Holder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and the partners (limited and general), members, shareholders, directors, officers, employees and agents of each such controlling Person and each underwriter, if any, and each Person, if any, who controls such underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively, "**Holder Indemnitees**"), from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, costs of preparation and reasonable attorneys' fees and any legal or other fees or expenses incurred by such party in connection with any investigation, action, suit or proceeding) and expenses, judgments, fines, penalties, charges and amounts paid in settlement (collectively, "**Losses**"), as incurred, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or in any preliminary or final Prospectus contained therein, any document incorporated by reference therein or free writing Prospectus related thereto) or any other offering circular, amendment of or supplement to any of the foregoing or other document incident to any such registration, qualification, or compliance, or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or of the Exchange Act in connection with any such registration, qualification, or compliance, except insofar as such Losses arise out of or are based upon any untrue statement or omission or alleged untrue statement or omission which has been made therein or omitted therefrom in reliance upon and in conformity with the information relating to such Holder furnished in writing to the Company by such Holder expressly for use in connection therewith. The foregoing indemnity agreement shall be in addition to any liability which the Company may otherwise have.

(b) Each Holder, severally and not jointly, agrees to indemnify and hold harmless the Company, and its directors and officers, and any Person who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all Losses, as incurred, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or in any preliminary or final Prospectus contained therein, any document incorporated by reference therein or free writing Prospectus related thereto) or any other offering circular, amendment of or supplement to any of the foregoing or other document incident to any such registration, qualification, or compliance, or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or of the Exchange Act in connection with any such registration, qualification, or compliance, but only (i) in connection with a registration in which such Holder is participating by registering Registrable Securities and (ii) with respect to any untrue statement or omission or alleged untrue statement or omission which has been made therein or omitted therefrom in reliance upon and in conformity with the information relating to such Holder furnished in writing to the Company by such Holder expressly for use in connection therewith. In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) If any Person shall be entitled to indemnity hereunder (an "**Indemnified Party**"), such Indemnified Party shall promptly notify the party or parties from which such indemnity is sought (collectively the "**Indemnifying Parties**" and each an "**Indemnifying Party**") of any claim or of the commencement of any action, suit

or proceeding with respect to which such Indemnified Party seeks indemnification or contribution pursuant hereto and such Indemnifying Parties shall have the right, upon written notice to the Indemnified Party and upon agreeing in writing, subject to the limitations and other provisions set forth in this Agreement, that it shall indemnify the Indemnified Party with respect to such action, suit or proceeding, to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and payment of all fees and expenses; provided, however, that failure or delay to so notify an Indemnifying Party shall not relieve such Indemnifying Party from any liability unless and to the extent it is materially and adversely prejudiced as a result of such failure or delay (as finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review)). The Indemnified Party shall have the right to employ separate counsel in any such action, suit or proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party unless (i) the Indemnifying Parties have agreed in writing to pay such fees and expenses, (ii) the Indemnifying Parties have failed to assume promptly the defense and employ counsel, or (iii) the named parties to any such action, suit or proceeding (including any impleaded parties) include both the Indemnified Party and the Indemnifying Parties and the Indemnified Party shall have been advised in writing by its counsel that representation of such Indemnified Party and any Indemnifying Party by the same counsel would be inappropriate under applicable standards of professional conduct (whether or not such representation by the same counsel has been proposed) due to actual or potential differing interests between them (in which case the Indemnifying Party shall not have the right to assume the defense of such action, suit or proceeding on behalf of the Indemnified Party). It is understood, however, that the Indemnifying Parties shall, in connection with any one such action, suit or proceeding or separate but substantially similar or related actions, suits or proceedings in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate firm of attorneys (in addition to any local counsel) at any time for the Indemnified Parties not having actual or potential differing interests with the Indemnified Parties or among themselves, which firm shall be designated in writing by the Indemnified Parties, and that all such fees and expenses shall be reimbursed as they are incurred. The Indemnifying Parties shall not be liable for any settlement of any such action, suit or proceeding effected without their written consent (not to be unreasonably withheld or delayed), but if settled with such written consent, or if there be a final judgment for the plaintiff in any such action, suit or proceeding, the Indemnifying Parties agree to indemnify and hold harmless the Indemnified Party, to the extent provided herein, from and against any Losses by reason of such settlement or judgment; *provided* that in the event the Indemnifying Party has not (i) assumed the defense in such action, suit or proceeding, and (ii) agreed in writing that it shall indemnify the Indemnified Party with respect to such action, suit or proceeding, nothing set forth herein shall prohibit the Indemnified Party from effecting a settlement of such action, suit or proceeding and initiating a claim for indemnification hereunder against the Indemnifying Party following such settlement.

(d) If the indemnification provided for in this Section 7 is unavailable (except if inapplicable according to its terms) to an Indemnified Party under Section 7(a) or Section 7(b) hereof in respect of any Losses referred to therein, then an Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, in connection with the statements or omissions that resulted in such Losses, as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) The Company and the Holders agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by a *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in Section 7(d) above. The amount paid or payable by an Indemnified Party as a result of the Losses referred to in Section 7(d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating any claim or defending any such action, suit or proceeding. Notwithstanding the provisions of this Section 7, no Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the net proceeds received by it in connection with the sale of the Registrable Securities subject to the action, suit or proceeding exceeds the amount of any damages which such Holder has otherwise been required to pay by reason of

such untrue or alleged untrue statement or omission or alleged omission. No person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(f) The indemnity and contribution agreements contained in this Section 7 and the representations and warranties of the Company set forth in this Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any of the Holders or any Person controlling the Holders, the Company, its directors or officers or any Person controlling the Company. A successor to any Holder Indemnitee, or to the Company, its directors or officers or any Person controlling the Company shall be entitled to the benefits of the indemnity, contribution and reimbursement agreements contained in this Section 7.

(g) No Indemnifying Party shall, without the prior written consent of the Indemnified Party, consent to entry of any judgment or effect any settlement of any pending or threatened action, suit or proceeding in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement (i) includes an unconditional release, in form and substance reasonably satisfactory to the Indemnified Party, of such Indemnified Party from all liability on claims that are the subject matter of such action, suit or proceeding, (ii) ascribes no fault on the part of such Indemnified Party and (iii) provides for solely monetary relief.

(h) Notwithstanding anything in this Agreement to the contrary, all parties to this Agreement hereby agree to abide by all applicable state and federal laws regarding indemnification payments to banking institutions, including, but not limited to, 12 C.F.R. Part 359.

8. Rule 144 Requirements. If the Company becomes subject to the reporting requirements of the Exchange Act, the Company will timely file with the Commission such reports and information required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Commission thereunder and as the Commission may require. The Company shall furnish to any Holder of Registrable Securities forthwith upon request a written statement as to its compliance with the reporting requirements of Rule 144 (or any successor exemptive rule), the Securities Act and the Exchange Act (at any time that it is subject to such reporting requirements); a copy of its most recent annual or quarterly report; and such other reports and documents as such Person may reasonably request in availing itself of any rule or regulation of the Commission allowing it to sell any such securities without registration.

9. Obligations of Holders and Others in a Registration. Each Holder agrees to timely furnish such information regarding such Person and the securities sought to be registered and to take such other action as the Company may reasonably request in connection with the registration, qualification or compliance. The Company may exclude from any Registration Statement any Holder that timely fails to comply with the provisions of the preceding sentence. If the registration involves an underwriter, each Holder agrees to enter into an underwriting agreement with such underwriters containing usual and customary terms and provisions. The Holders agree not to affect the sale of securities under any Registration Statement until they have received a Prospectus (including by accessing a Prospectus filed with the Commission), as needed, and notice of the effectiveness of the Registration Statement of which the Prospectus forms a part.

10. Rule 144A. The Company agrees that, upon the request of any Holder of Registrable Securities or any prospective purchaser of Registrable Securities designated by a Holder, the Company shall promptly provide (but in any case within fifteen (15) calendar days of a request) to such Holder or potential purchaser, the following information:

(a) a brief statement of the nature of the business of the Company and any subsidiaries and the products and services they offer;

(b) the most recent consolidated balance sheets and profit and losses and retained earnings statements, and similar financial statements of the Company for the two (2) most recent fiscal years (such financial information shall be audited, to the extent reasonably available); and

(c) such other information about the Company, any subsidiaries, and their business, financial condition and results of operations as the requesting Holder or purchaser of such Registrable Securities shall request in order to comply with Rule 144A, as amended, and in connection therewith the anti-fraud provisions of the federal and state securities laws.

The Company hereby represents and warrants to any such requesting Holder and any prospective purchaser of Registrable Securities from such Holder that the information provided by the Company pursuant to this Section 10 will, as of their dates, not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

11. Limitations on Subsequent Registration Rights. The Company will not, without the prior written consent of the Holder or Holders of at least a two-thirds of the then outstanding Registrable Securities, enter into any agreements with any holder or prospective holder of any securities of the Company which would grant such holder or prospective holder registration rights with respect to the securities of the Company which would have priority over the Registrable Securities with respect to the inclusion of such securities in any registration. If the Company enters into an agreement that contains terms more favorable, in form or substance, to any shareholders than the terms provided to the Holders under this Agreement, then the Company will modify or revise the terms of this Agreement in order to reflect any such more favorable terms for the benefit of the Holders Shareholders.

12. Consent to be Bound. Each subsequent Holder of Registrable Securities must consent in writing to be bound by the terms and conditions of this Agreement in order to acquire the rights granted pursuant to this Agreement.

13. Assignability of Registration Rights. Subject to Section 12 hereof, the registration rights set forth in this Agreement are assignable to each assignee as to each share of Registrable Securities conveyed in accordance herewith who agrees in writing to be bound by the terms and conditions of this Agreement.

14. Amendment, Termination and Waiver. Except as otherwise provided herein, no amendment, modification, termination or cancellation of this Agreement shall be effective unless made in a writing signed by the Company and the Holders of at least two-thirds of the then outstanding Registrable Securities.

15. Specific Performance. The Company and the Holders agree that the rights created by this Agreement are unique, and that the loss of any such right is not susceptible to monetary quantification. Consequently, the parties agree that an action for specific performance (including for temporary and/or permanent injunctive relief) of the obligations created by this Agreement is a proper remedy for the breach of the provisions of this Agreement, without the necessity of proving actual damages. If the parties hereto are forced to institute legal proceedings to enforce their rights in accordance with the provisions of this Agreement, the prevailing party shall be entitled to recover its reasonable expenses, including attorneys' fees, in connection with any such action.

16. Miscellaneous.

(a) Unless otherwise specified herein, all notices, requests, instructions and other communications required or permitted to be given under this Agreement after the date of this Agreement by any party hereto to any other party may be delivered personally or by nationally recognized overnight courier service or sent by mail or by facsimile transmission, at the respective addresses or transmission numbers set forth below and is deemed delivered (a) in the case of personal delivery or facsimile transmission or electronic mail, when received; (b) in the case of mail, upon the earlier of actual receipt or five (5) Business Days after deposit in the United States Postal Service, first class certified or registered mail, postage prepaid, return receipt requested; and (c) in the case of an overnight courier service, one (1) Business Day after delivery to such courier service with instructions for overnight delivery. The parties may change their respective addresses and transmission numbers by written notice to all other parties, sent as provided in this Section. All communications must be in writing and addressed as follows:

If to the Company, to:

Community Trust Financial Corporation
1511 N. Trenton Street
Ruston, Louisiana 71270

Attention: Drake D. Mills
Telephone:
Facsimile:

With a copy (which will not constitute notice), to:

Jones, Walker, Waechter, Poitevent, Carrère & Denègre L.L.P.
190 E. Capitol St.
Jackson, Mississippi
Attention: J. Andrew Gipson
Telephone: (601) 949-4789
Fax: (601) 949-4804

If to any Holder, to:

the address, facsimile number or electronic mail address set forth next to such Holder's name on the signature page hereto (which address, facsimile number or electronic mail address may be changed by the Holder by notice provided to the Company); provided that any notices or communications to any Holder shall be sent only to the Person or department, as applicable, at the Holder set forth on such Holder's signature page, and the Company shall not send notices or communications to any other Person on behalf of any Holder without the prior written consent of such Person or a member of such department, as applicable.

(b) THIS AGREEMENT IS TO BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF LOUISIANA, WITHOUT REGARD FOR THE PROVISIONS THEREOF REGARDING CHOICE OF LAW. The parties hereto irrevocably consent to the jurisdiction of the courts of the State of Louisiana and of any federal court located in such state in connection with any action or proceeding arising out of or relating to this Agreement. VENUE FOR ANY CAUSE OF ACTION ARISING FROM THIS AGREEMENT WILL LIE IN RUSTON, LOUISIANA.

(c) This Agreement and the Securities Purchase Agreement constitute the full and entire understanding and agreement between the parties regarding the matters set forth herein and therein. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon the successors, assigns, heirs, executors and administrators of the parties hereto. This Agreement is not assignable or transferable by the Company without the prior written consent of Holders of at least a two-thirds of the then outstanding Registrable Securities, and Company transfers without the applicable consent are void *ab initio*. In the event of any inconsistency between this Agreement and the Securities Purchase Agreement and any other agreement entered into by the Company and any Holder, this Agreement shall control.

(d) No failure or delay of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. No waiver of any party to this Agreement will be effective unless it is in a writing signed by a duly-authorized officer of the waiving party that makes express reference to the provision or provisions subject to such waiver.

(e) This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(f) Subject to Section 7 and Section 13 hereof, none of the provisions of this Agreement shall be for the benefit of, or enforceable by, any third party beneficiary.

(g) The headings in this Agreement are inserted only as a matter of convenience, and in no way define, limit, or extend or interpret the scope of this Agreement or of any particular section of this Agreement.

(h) If any provision of this Agreement shall be held to be illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall attach only to such provision and shall not in any manner affect or render

illegal, invalid or unenforceable any other provision of this Agreement, and this Agreement shall be carried out as if any such illegal, invalid or unenforceable provision were not contained herein.

(i) Nothing in this Agreement shall limit or prevent the Company from utilizing or electing to take advantage of any of the rights and privileges available to an "emerging growth company," as such term is defined in the JOBS Act, including, but not limited to, the confidential filing of a Registration Statement on Form S-1. In addition, for purposes of this Agreement, if the Company receives a Demand Notice, the confidential filing of a Registration Statement on Form S-1 with the SEC as permitted under the JOBS Act shall satisfy the requirements of Section 2(b) of this Agreement if such Registration Statement is filed with the SEC on a confidential basis in accordance with the requirements of that section.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
[SIGNATURE PAGE FOR COMPANY FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Registration Rights Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

COMMUNITY TRUST FINANCIAL CORPORATION

By: _____

Drake D. Mills
Chairman, President and CEO

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
[SIGNATURE PAGE FOR HOLDERS FOLLOW]

HOLDER:

_____

By: _____

Name: _____

Title: _____

Address: _____

_____

_____

Attention: _____

Telephone: _____

Telecopy: _____

Email Address: _____

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

Exhibit 21.1

Subsidiaries of the Registrant

The following is a list of consolidated subsidiaries of Origin Bancorp, Inc., the names under which such subsidiaries do business, and the jurisdiction in which each was organized, as of the date of this prospectus. All subsidiaries are wholly-owned unless otherwise noted.

Subsidiaries of Origin Bancorp, Inc.

Name	Jurisdiction of Organization
Origin Bank	Louisiana
Davison Insurance Agency, LLC	Louisiana
CTB Statutory Trust 1	Connecticut
First Louisiana Statutory Trust	Delaware

Subsidiaries of Origin Bank

Name	Jurisdiction of Organization
CTB Properties, LLC (inactive)	Louisiana
CTB/MNG Condo Association (68.0% ownership)	Louisiana
CTB/HLP Condo Association (63.1% ownership)	Louisiana

Subsidiaries of Davison Insurance Agency, LLC

Name	Jurisdiction of Organization
Thomas & Farr Agency, LLC	Louisiana

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

To the Shareholders, Board of Directors and Audit Committee
Origin Bancorp, Inc.
Ruston, Louisiana

We consent to the inclusion in Origin Bancorp, Inc.'s Registration Statement (No. 333-XXX) on Form S-1 (the Registration Statement) of our report dated March 6, 2018, on our audits of the consolidated financial statements of Origin Bancorp, Inc. as of December 31, 2017 and 2016, and for each of the years in the two-year period ended December 31, 2017, which report is included in this Registration Statement. We also consent to the reference to our firm under the caption "Experts" in this Registration Statement

/s/ BKD, LLP

Little Rock, Arkansas
April 10, 2018