



TARP PARTICIPANT OVERVIEW

Pluris
Valuation Advisors LLC

JULY 1, 2009

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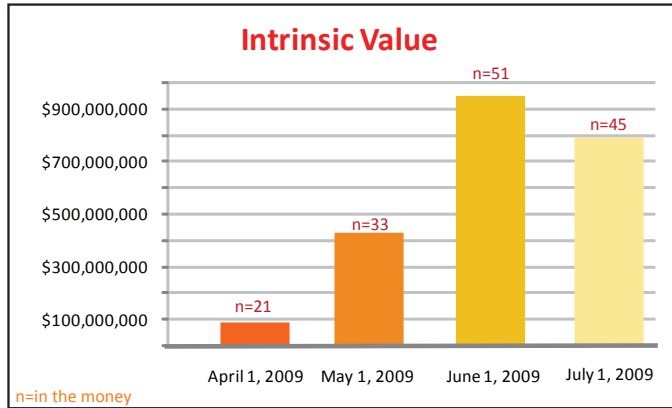
OVERVIEW

The Pluris Valuation Advisors TARP participant overview has been compiled through searches of public filings as of July 1, 2009. In total, this Pluris survey analyzed 265 TARP participants who have received in excess of \$193 billion of funding. In exchange for the funds received, the participants have issued preferred stock and warrants to the U.S. Treasury.

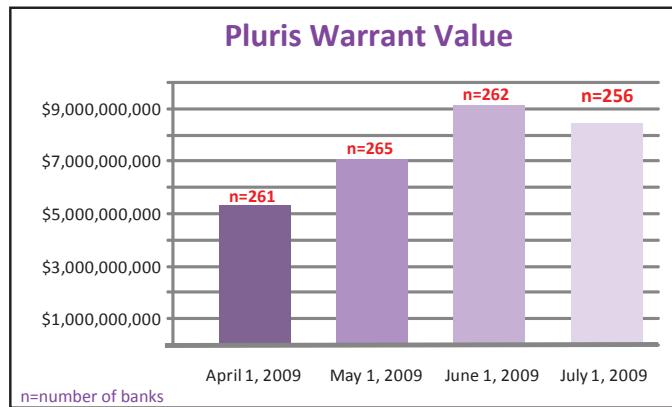
The primary purpose of the overview is to analyze the fair market value of warrants issued by participating banks. These fair market values are estimates of the prices these illiquid securities might fetch if auctioned by the Treasury (and should act as a guide to the values realistically achievable when banks repurchase warrants under the program). The analysis examines warrant values (as well as discounts from their theoretical "Black-Scholes" values) based on bank total assets, and geographic location.

REPORT

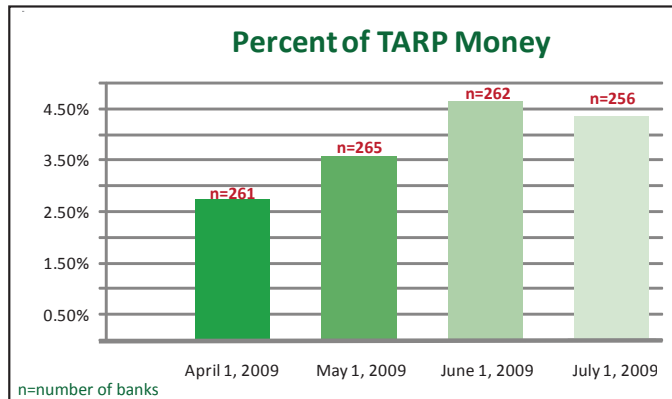
As of July 1, 2009, warrants issued by 45 of the banks receiving TARP money had positive intrinsic value (i.e., were in the money), a doubling when compared to April 1, 2009. Furthermore, the intrinsic value of the in-the-money warrants held by the Treasury increased from approximately \$89 million to \$785 million, or 782 percent over this time. The increase in intrinsic value is a direct result of the rebounding share prices of financial institutions in the public equity markets.



Between April 1 and July 1, 2009, overall warrant value, as determined by Pluris' warrant valuation model, increased from \$5.2 billion to \$8.5 billion. The overall warrant value is comprised of both intrinsic value and time value. The \$3.3 billion increase is due to increasing share prices in the public equity markets. The number of banks comprising these totals has remained virtually flat as certain banks have repaid the funds and repurchased the issued warrants while other banks are new to the program.

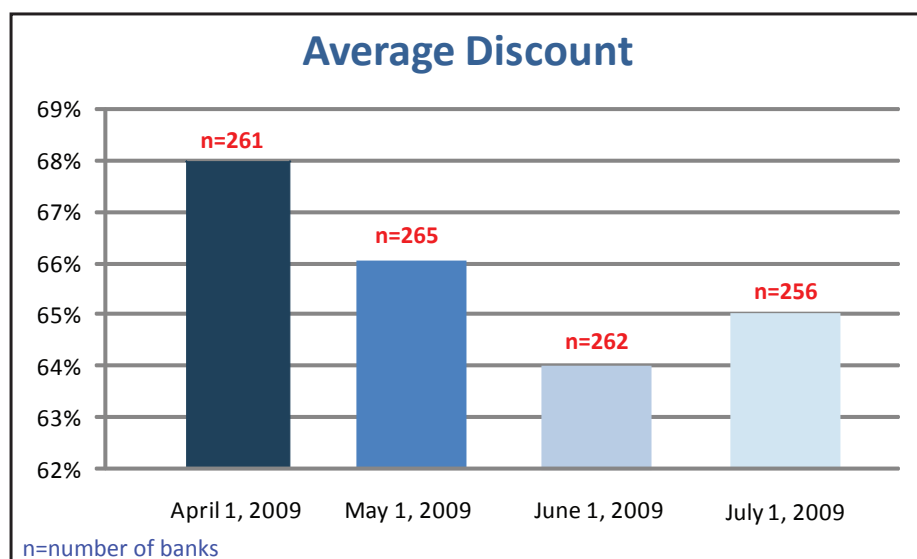


The value of the warrants issued by participating banks as a percentage of outstanding TARP investments provided by the Treasury has steadily increased from 2.68% as of April 1, 2009 to 4.42% as of July 1, 2009. During this time the amount of TARP loans outstanding has remained flat at \$193 billion (and an average of 262 participant banks) while total warrant value has increased from \$5.2 billion to \$8.5 billion. As discussed earlier, increasing share prices have led to the increase in warrant values.



As indicated by Pluris' warrant valuation model, average discounts from the Black-Scholes value for all warrants issued by participating banks have decreased from 68% as of April 1, 2009 to 65% as of July 1, 2009. The decline in discounts is associated with the increase in share prices over this time as rising share prices increase the intrinsic values of the warrants, reducing the discounts.

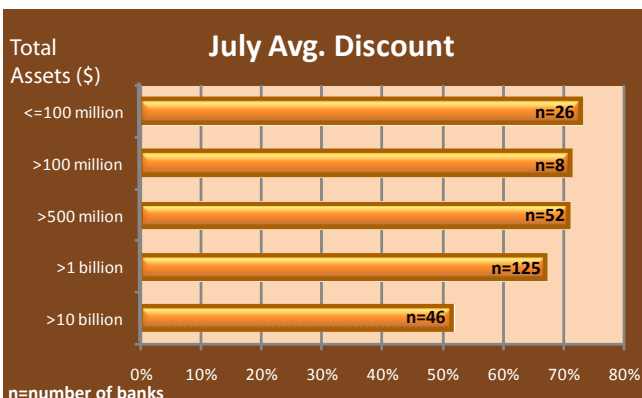
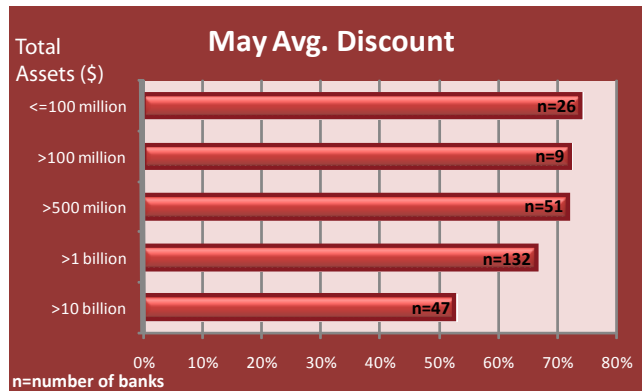
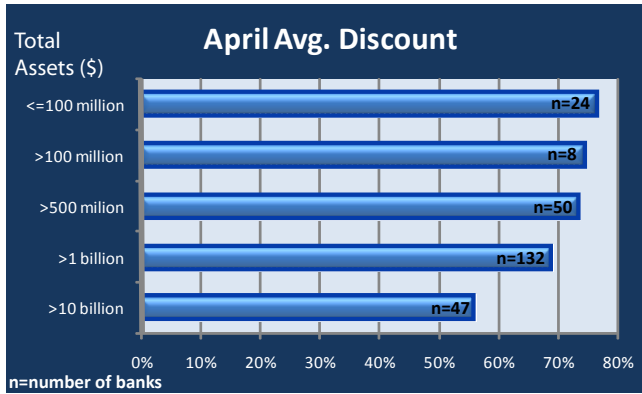
The valuation model used for these warrants is based on Pluris' analysis, over several years, of transaction data from secondary market "trades" of illiquid warrants similar to the TARP warrants. Secondary market trading indicates that illiquid warrants sell at discounts that are positively correlated with the volatility of the underlying shares, the size of the block relative to the trading market for the shares, and the time to expiration, and negatively correlated with the size of the issuer and the "moneyness" of the warrant (lower discounts, the further the warrant is in-the-money). For more information, please see "Discounts for Illiquid Shares and Warrants: the Liquistat Database of Transactions on the Restricted Securities Trading Network", available at www.PlurisValuation.com.



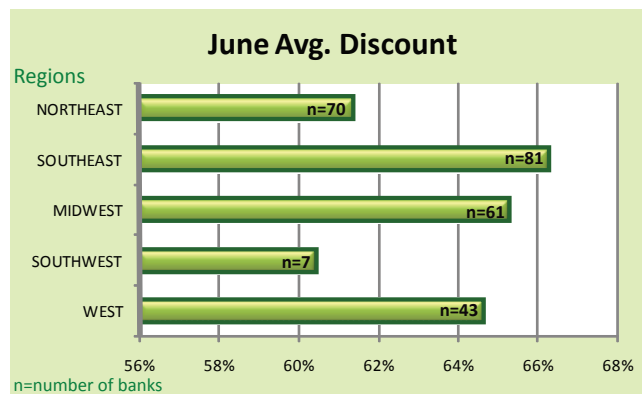
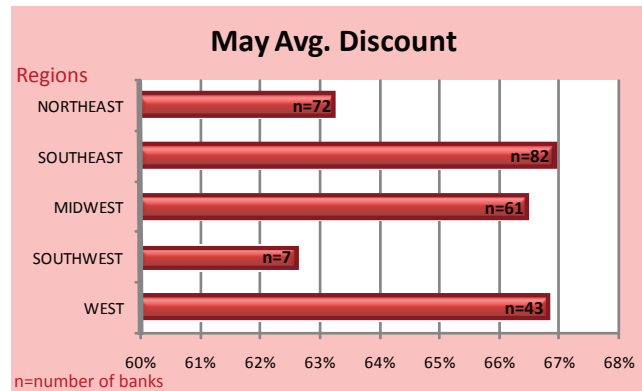
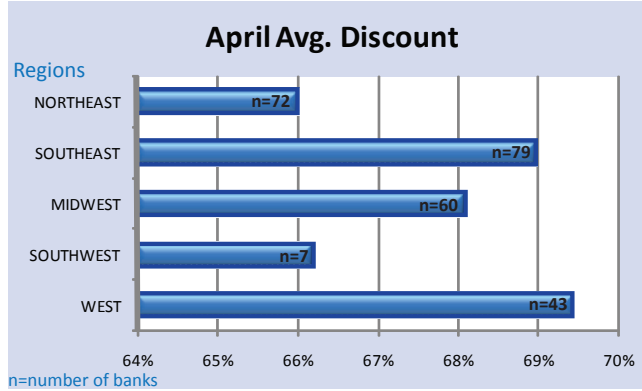
Eleven banks have repurchased back their warrants from the Treasury as of July 1, 2009. The table below shows the transaction prices and implied volatility from the Black-Scholes model.

Bank	Date	Price	PX/Warrant	Pluris PX/Warrant	Difference
ONB	5/8	\$1,200,000	\$1.48	\$3.15	-53.0%
IBKC	5/20	\$1,200,000	\$8.66	\$10.19	-15.0%
FMER	5/27	\$5,025,000	\$5.28	\$4.68	12.8%
INDB	5/27	\$2,200,000	\$4.57	\$4.87	-6.2%
SNBC	5/27	\$2,100,000	\$1.36	\$1.50	-9.3%
ALNC	6/17	\$900,000	\$5.20	\$5.72	-9.1%
BHLB	6/24	\$1,040,000	\$4.60	\$4.09	12.5%
SCBT	6/24	\$1,400,000	\$4.62	\$4.88	-5.3%
SOMH	6/24	\$275,000	\$1.69	\$1.70	-0.6%
FNFG	6/24	\$2,700,000	\$2.83	\$2.86	-1.0%
HFFC	6/30	\$650,000	\$2.15	\$2.11	1.9%

Average discounts, when participants are sorted by total assets, have remained consistent throughout the observation window, decreasing slightly as time moves forward. We can see however, that as total assets increase the discount decreases substantially. Banks with less than \$100 million in total assets experienced an average discount of 72% whereas banks with total assets in excess of \$10 billion experienced an average discount of only 51%.



In general, when participants are sorted by geographical region average discounts have slightly declined across the board from a high of 69% in April to a low of 61% in July. Banks located in the Northeast and Southwest experienced the lowest discounts in all four months, however these discounts are only several points below those of the other regions. It is safe to say that the geographic location of a bank has a minimal impact at best on the indicated discount, whereas total assets and market capital each have significant impacts on the observed discounts.



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