

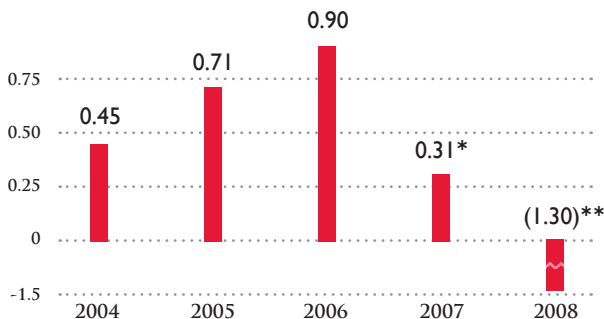
Company Overview

Cherokee Bank, a full-service commercial bank that operates three offices in rapidly growing Cherokee County, Ga., opened in 1999. The bank serves the needs of individuals and small- to medium-sized businesses located in Canton, Woodstock and adjacent areas of northern metro Atlanta. Cherokee Bank had approximately \$200 million in assets at the end of 2008. As of June 2008, the bank ranked #2 out of 22 institutions in market share in northern Cherokee County. Cherokee County has the 8th-largest deposit market in Georgia as ranked by the FDIC.

Building the Foundation

Founded in 1999 with only eight employees, Cherokee Bank reached consistent profitability in just 15 months of operation, growing assets to \$50 million within two years, \$100 million within four years and reaching the \$200 million mark in seven years. A temporary office was opened in South Canton in 2002 to complement the bank's North Canton main office, with the permanent facility opening in early 2004. The bank continued to ramp up its profitability, building to a .90 percent Return on Assets (ROA) in 2006. Willing to sacrifice short-term profitability, management in 2007 opened a new, full-service office in Woodstock. Though the costs associated with the branch opening reduced profitability, this investment in growth is starting to pay off, with the office generating \$51 million in loans to date.

Return on Assets (ROA)



* Impact of costs associated with new office in Woodstock.

** Impact of greatly increased loan-loss reserves and other proactive steps to deal with problem loans.

While Cherokee Bank lost money in the last three quarters of 2008, it operated without a loss in the first quarter of 2009.

Market Area



Executive Management

Dennis W. Burnette, President & CEO
40+ years' banking experience

A.R. (Rick) Roberts, III, EVP & CFO
30 years' banking experience

John S. Moreau, EVP & Senior Lending Officer
Nearly 20 years' banking experience

Directors' and management biographies enclosed