



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

Licensing Department
250 E Street, S.W.
Washington, D.C. 20219

**Conditional Approval #991
April 2011**

March 3, 2011

Mr. Mark A. Abernathy
President and Chief Executive Officer
Cadence Bank, National Association
301 East Main Street
Starkville, Mississippi 39759

Dear Mr. Abernathy:

The Office of the Comptroller of Currency (“OCC”) hereby conditionally approves the application by Cadence Bank, National Association, (the “Bank”) for an increase in permanent capital. This approval is granted after a thorough review of the application, other materials you have supplied, and other information available to the OCC, including commitments and representations made during the application process. This approval is also subject to the condition set out herein.

The OCC’s regulation regarding changes in a national bank’s permanent capital, 12 C.F.R. § 5.46, generally provides that a national bank planning to increase its capital may do so without prior OCC approval by submitting a notice to the OCC. *See* 12 C.F.R. § 5.46(g)(1)(ii). However, the OCC may, by letter, require a national bank to obtain prior OCC approval for increases in its permanent capital. *See* 12 C.F.R. § 5.46(g)(1)(i).

The Bank is wholly-owned by Cadence Financial Corporation (“Cadence”), Starkville, Mississippi. Cadence entered into an agreement and plan of merger under which it will be acquired by Community Bancorp LLC (“CBC”), Houston, Texas. CBC filed an application with the Board of Governors of the Federal Reserve System for approval to become a bank holding company and acquire Cadence and the Bank. Upon consummation of the acquisition, CBC would own 100% of the stock of Cadence and would indirectly acquire the Bank.

CBC’s future plans for the Bank involve expansion of the Bank’s size and market area both organically and through acquisitions, including transactions with the Federal Deposit Insurance Corporation as receiver of failed banks. In light of the planned expansion, the OCC required the Bank to file an application under 12 C.F.R. § 5.46 for the first capital increase after the CBC’s

acquisition of the Bank to provide a means for OCC review of CBC's business plans and management for the Bank and to impose conditions to help ensure safe and sound operations. The OCC notified the Bank of this decision by letter dated January 25, 2011.

Pursuant to the OCC's January 25, 2011, letter and the requirements of 12 C.F.R. § 5.46, the Bank applied to the OCC for prior approval for an increase in its capital surplus that would result from a capital injection by Cadence and CBC after CBC acquires Cadence and the Bank. The OCC hereby approves the increase in capital, subject to the following condition:

The Bank shall enter into, and thereafter implement and adhere to, a written Operating Agreement with the OCC, in a form acceptable to the OCC, immediately after the CBC's acquisition of Cadence and the Bank.

This condition of approval is a condition "imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of 12 U.S.C. § 1818. As such, the condition is enforceable under 12 U.S.C. § 1818.

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

If you have any questions concerning this letter, please contact Senior Licensing Analyst Robert A. Fernandez at 202-874-5129.

Sincerely,

Beverly L. Evans

Beverly L. Evans
Director for Licensing Activities