Warrant Exercisable for up to
771,429 Shares of Common Stock

MetroCorp Bancshares, Inc.

PLACEMENT AGREEMENT

June 3, 2013

Deutsche Bank Securities Inc.
60 Wall Street, 4th Floor
New York, NY 10005

Ladies and Gentlemen:

The United States Department of the Treasury (the "Selling Security Holder") will offer to Bidders (as defined below) and will sell directly to the Winning Bidder (as defined in Section 2 hereof), and Deutsche Bank Securities Inc. (the "Placement Agent") will act as the Selling Security Holder's exclusive placement agent for the sale of, a warrant (the "Warrant") of MetroCorp Bancshares, Inc., a Texas corporation (the "Company"), representing the right to purchase an aggregate of up to 771,429 shares (the "Warrant Shares") of the Company's common stock, $1.00 par value (the "Common Stock"), in a placement (the "Placement") to "qualified institutional buyers," as defined in Rule 144A (each, a "QIB") under the Act (as hereinafter defined); and to certain "accredited investors," as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D (each an "Institutional Accredited Investor") under the Act, who have represented to us that they have total assets in excess of $25,000,000. Such potential bidders are herein referred to collectively as the "Bidders".

The sale of the Warrant to the Winning Bidder will be made without registration of the Warrant under the Securities Act of 1933, as amended, and the rules and regulations thereunder (collectively, the "Act"), in reliance upon the exemption from the registration requirements of the Act provided by Rule 144 thereunder.

The Warrant will be sold by the Selling Security Holder in accordance with this Agreement on the terms set forth herein and in the Time of Sale Information. As used herein, "Time of Sale Information" shall mean (i) (a) the Company's Annual Report on Form 10-K for the Company's most recently completed fiscal year (the "Form 10-K"), (b) the Company's Quarterly Report(s) on Form 10-Q for the fiscal quarter(s) ended after the Company's most recently completed fiscal year (the "Form 10-Qs"), and (c) the Company's Current Report(s) on Form 8-K filed with the Securities and Exchange Commission (the "Commission") after the end of the Company's most recently completed fiscal year (the "Form 8-Ks", and collectively together with the Form 10-K and Form 10-Qs, and including all documents incorporated by

reference in each of them, the "Company Exchange Act Filings"); (ii) the warrant certificate representing the Warrant, a form of which is attached hereto as Exhibit A (the "Warrant Certificate"); and (iii) the information about the auction for the Warrant (the "Auction") and other matters set forth in the investor letter (and in annexes thereto) provided by each potential Bidder in the Auction, a form of which is attached hereto as Exhibit B (the "Bidder Letter"). Any reference herein to the Time of Sale Information or to any amendment or supplement thereto shall be deemed to refer to and include any documents incorporated by reference therein, and shall also be deemed to include any documents, and any supplements or amendments thereto, filed with the Commission after the execution of this Agreement and prior to any Applicable Time (as defined below).

In consideration of the mutual agreements contained herein, the parties hereto agree as follows:

1. REPRESENTATIONS AND WARRANTIES OF THE COMPANY AND THE SELLING SECURITY HOLDER.

(a) The Company represents and warrants to the Placement Agent as follows:

(i) As of each Applicable Time (as defined below) and as of the Closing Date (as defined below), the Time of Sale Information did not and will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representations or warranties as to (A) any statement in or omission from the information set forth in any Bidder Letter or (B) any statement in or omission from the Time of Sale Information made in reliance upon, and in conformity with, written information furnished to the Company by the Placement Agent specifically for use therein, it being understood and agreed that the only such information supplied by the Placement Agent is that described in Section 12 hereof. As used in this subsection and elsewhere in this Agreement, "Applicable Time" means the time at which bids submitted by a Bidder to the auction agent (the "Auction Agent") in connection with the Auction become irrevocable and may no longer be withdrawn, as described in the Time of Sale Information.

(ii) The Company (A) has been duly organized and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, (B) is duly registered as a bank holding company under the Bank Holding Company Act of 1956, as amended, and (C) has corporate power and authority to own or lease its properties and conduct its business as described in the Company Exchange Act Filings. The Company is duly qualified to transact business and is in good standing in each jurisdiction in which its ownership or lease of properties or the conduct of its business requires such qualification, except where the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to either (i) have a material adverse effect on the business, management, results of operations, or financial condition of the Company and of its subsidiaries, taken as a whole, or (ii) prevent the consummation of the transactions contemplated hereby (the occurrence of any such effect

or any such prevention described in the foregoing clauses (i) and (ii) being referred to as a "Material Adverse Effect").

(iii) Each of the significant subsidiaries (as defined in Rule 1-02 of Regulation S-X of the Commission) of the Company (each a "Subsidiary" and, collectively, the "Subsidiaries") has been duly organized and is validly existing as a corporation, banking corporation or association, or other type of entity, as applicable, in good standing under the laws of the jurisdiction of its incorporation, establishment or formation, as applicable, with corporate, limited liability company or other organizational power and authority to own or lease its properties and conduct its business as described in the Company Exchange Act Filings. Each Subsidiary is duly qualified to transact business and is in good standing in each jurisdiction in which its ownership or lease of properties or the conduct of its business requires such qualification, other than where the failure to be so qualified would not reasonably be expected to have a Material Adverse Effect. The outstanding shares of capital stock or other ownership interests of each Subsidiary have been duly authorized and validly issued, are fully paid and non-assessable and, other than as described in the Company Exchange Act Filings, are owned directly or indirectly by the Company free and clear of all liens, encumbrances, equities and claims. Other than as described in the Company Exchange Act Filings, no options, warrants or other rights to purchase, agreements or other obligations to issue, or other rights to convert any obligations into shares of capital stock or ownership interests in the Subsidiaries are outstanding.

(iv) The Warrant has been duly authorized and validly issued and constitutes a valid and binding obligation of the Company enforceable in accordance with its terms, and no preemptive rights of stockholders exist with respect to any Warrant Shares issuable upon exercise of the Warrant. The Warrant conforms in all material respects to the form of Warrant Certificate attached hereto as Exhibit A, and the form of Warrant Certificate complies with the corporate law of the jurisdiction of the Company's incorporation and with any requirements of the Company's organizational documents. The offering or sale of the Warrant as contemplated by this Agreement does not give rise to any rights, other than those which have been waived or satisfied, for or relating to the registration of the Warrant or any Warrant Shares.

(v) The Warrant Shares have been duly authorized, and, when issued and delivered upon exercise of the Warrant against payment of the exercise price with respect to the Warrant, will be fully paid and non-assessable and will not be subject to any preemptive or similar rights. The Warrant Shares will conform in all material respects to the description thereof incorporated in the Time of Sale Information. The form of certificates for the Warrant Shares complies with the corporate law of the jurisdiction of the Company's incorporation and with any requirements of the Company's organizational documents. The Company has reserved the Warrant Shares for issuance upon exercise of the Warrant.

(vi) The outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable.

(vii) Except as described in or contemplated by the Company Exchange Act Filings, there are no outstanding rights (including, without limitation, pre-emptive rights), warrants or options to acquire from the Company, or instruments convertible or exchangeable for, any shares of capital stock or other equity interest in the Company or any of the Subsidiaries, or any contract, commitment, agreement, understanding or arrangement of any kind to which the Company or any of the Subsidiaries is a party relating to the issuance of any capital stock of the Company or any such Subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options, except as may have been granted by the Company pursuant to employee awards and employee benefit plans in the ordinary course of business and consistent with past practice.

(viii) No order or decree preventing the use of the Time of Sale Information has been issued, nor has any order asserting that the Placement or the Auction is subject to the registration requirements of the Act or regulations of the Office of the Comptroller of the Currency ("OCC Regulations") been issued, and no proceeding for that purpose has commenced or is pending or, to the knowledge of the Company, is contemplated.

(ix) Assuming the accuracy of the representations, warranties and covenants of the Placement Agent and the Selling Security Holder contained in this Agreement, it is not necessary in connection with the offer of the Warrant and the Warrant Shares to the Bidders or the sale and delivery of the Warrant to the Winning Bidder in the manner contemplated by this Agreement and the Time of Sale Information to register the Warrant or the Warrant Shares under the Act.

(x) Neither the Company nor any person acting on its behalf, directly or indirectly, has solicited or will solicit any offer to buy or sell, or has offered or will make any offer to buy or sell, the Warrant or the Warrant Shares, or has distributed or will distribute any communication that constitutes an offer to buy or sell or solicitation of an offer to buy or sell the Warrant or the Warrant Shares excluding, for the avoidance of doubt, any bid for or purchase of the Warrant made by the Company pursuant to the Auction.

(xi) The consolidated financial statements of the Company and its subsidiaries, together with related notes and schedules as set forth or incorporated by reference in the Company Exchange Act Filings, comply as to form in all material respects with the requirements of the Act and the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (collectively, the "Exchange Act"), and present fairly the financial position and the results of operations and cash flows of the Company and its subsidiaries, at the indicated dates and for the indicated periods. Such financial statements and related schedules have been prepared in accordance with U.S. generally accepted principles of accounting ("GAAP"), consistently applied throughout the periods involved, except as disclosed therein, and all adjustments necessary for a fair presentation of results for such periods have been made. The summary and selected consolidated financial and statistical data included or incorporated by reference in the Company Exchange Act Filings present fairly the information shown therein and such data have been compiled on a basis consistent with the financial statements presented therein and

the books and records of the Company. Any disclosures contained in the Company Exchange Act Filings regarding "non-GAAP financial measures" (as such term is defined under the Act) comply with Regulation G under the Exchange Act and Item 10 of Regulation S-K under the Act, to the extent applicable.

(xii) Each of KPMG LLP and PricewaterhouseCoopers LLP (the "Accountants"), who have certified certain of the financial statements filed with the Commission as part of, or incorporated by reference in, the Time of Sale Information, is an independent registered public accounting firm with respect to the Company and its subsidiaries within the meaning of the Act and the rules and regulations of the Public Company Accounting Oversight Board (United States) (the "PCAOB").

(xiii) Except as disclosed in the Company Exchange Act Filings, the Company is not aware of (i) any material weakness in its internal control over financial reporting as of or since the date of the most recent audited financial statements set forth therein or (ii) change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting as of or since the date of the most recent unaudited interim financial statements set forth therein.

(xiv) Solely to the extent that the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated by the Commission and the Exchange (as defined below) thereunder (the "Sarbanes-Oxley Act") are applicable to the Company, there is and has been no failure on the part of the Company to comply in all material respects with any provision thereof.

(xv) There is no action, suit, claim, proceeding, inquiry or investigation before any court or governmental agency or otherwise pending or, to the knowledge of the Company, threatened against the Company or any of the Subsidiaries that is reasonably likely to be determined adversely to the Company or any of the Subsidiaries and to result in a Material Adverse Effect, except as set forth in the Company Exchange Act Filings.

(xvi) Since the respective dates as of which information is given in the Company Exchange Act Filings, as may be supplemented or amended, there has not been any material adverse change in or affecting the business, management, results of operations or financial condition of the Company and its subsidiaries, taken as a whole.

(xvii) Neither the Company nor any Subsidiary is, or with the giving of notice or lapse of time or both would be, (i) in violation of its certificate or articles of incorporation, by-laws, certificate of formation, limited liability agreement, partnership agreement or other organizational documents or (ii) in violation of or in default under any agreement, lease, contract, indenture or other instrument or obligation material to the conduct of the business of the Company and its subsidiaries, taken as a whole, to which it is a party or by which it, or any of its respective properties, is bound and, solely with respect to this clause (ii), which violation or default would reasonably be expected to have a Material Adverse Effect. The execution and delivery of this Agreement and the consummation of the transactions herein contemplated and the fulfillment of the terms hereof will not

conflict with or result in a breach of (i) any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other agreement or instrument to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary or any of their respective properties is bound, except where such breach or default would not reasonably be expected to result in a Material Adverse Effect, (ii) the certificate or articles of incorporation or by-laws of the Company or (iii) any law, order, rule or regulation, judgment, order, writ or decree applicable to the Company or any Subsidiary of any court or of any government, regulatory body or administrative agency or other governmental body having jurisdiction.

(xviii) The execution and delivery of, and the performance by the Company of its obligations under, this Agreement have been duly and validly authorized by all necessary corporate action on the part of the Company, and this Agreement has been duly executed and delivered by the Company.

(xix) Assuming the accuracy of the representations, warranties and covenants of the Placement Agent and the Selling Security Holder contained in this Agreement, no material approval, consent, order, authorization, designation, declaration or filing by or with any regulatory, administrative or other governmental body is required in connection with the execution and delivery by the Company of this Agreement and the consummation by the Company of the transactions herein contemplated.

(xx) The Company and each of the Subsidiaries hold all licenses, certificates, consents, orders, approvals, permits and other authorizations from governmental authorities to lease or own, as the case may be, and to operate their respective properties and to carry on their respective businesses, except where the failure to own, possess or maintain such governmental licenses, certificates, consents, orders, approvals, permits and other authorizations would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(xxi) Neither the Company, nor to the Company's knowledge, any of its affiliates, has taken, directly or indirectly, any action designed to cause or result in, or which has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Warrant or the Warrant Shares to facilitate the sale or resale of the Warrant excluding, for the avoidance of doubt, any bid for or purchase of the Warrant by the Company or such affiliates properly made pursuant to the Auction.

(xxii) Neither the Company nor any of the Subsidiaries is required to register as an "investment company" within the meaning of such term under the Investment Company Act of 1940, as amended (the "1940 Act"), and the rules and regulations of the Commission thereunder.

(xxiii) The Company and each of the Subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (iii) access to assets is

permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(xxiv) To the best knowledge of the Company, the operations of the Company and the Subsidiaries are and have been conducted at all times in material compliance with applicable financial record-keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, applicable money laundering statutes and applicable rules and regulations thereunder (collectively, the "Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of the Subsidiaries with respect to the Money Laundering Laws is pending or, to the Company's knowledge, threatened, that would reasonably be expected to have a Material Adverse Effect.

(xxv) Neither the Company nor, to the Company's knowledge, any director, officer, agent, employee or affiliate of the Company is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC").

(xxvi) Neither the Company nor any of the Subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of the Subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "FCPA"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA, and the Company, its subsidiaries and, to the knowledge of the Company, its affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

(xxvii) The Common Stock is registered pursuant to Section 12(b) of the Exchange Act and is listed on the Nasdaq Global Select Market (the "Exchange"), and the Company has not received any notification that the Commission or the Exchange is contemplating terminating such registration or listing.

(xxviii)The Company has not incurred any liability for any finder's fees or similar payments in connection with the Auction or the Placement.

(b) The Selling Security Holder represents and warrants as follows:

(i) The Selling Security Holder now has and at the Closing Date will have good and marketable title to the Warrant to be sold by it, free and clear of any liens, encumbrances, equities and claims, and full right, power and authority to effect the sale and delivery of the Warrant; and upon the delivery of, against payment for, the Warrant pursuant to this Agreement, and assuming the Winning Bidder does not have notice of any adverse claim (within the meaning of the Uniform Commercial Code as in effect in the State of New York), such Winning Bidder will acquire good and marketable title thereto, free and clear of any liens, encumbrances, equities and claims.

(ii) The Selling Security Holder has full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and this Agreement has been duly authorized, executed and delivered by or on behalf of the Selling Security Holder.

(iii) No consent, approval or waiver is required under any instrument or agreement to which the Selling Security Holder is a party or by which the Selling Security Holder is bound in connection with the Auction, the offering, sale or purchase by any Bidder of the Warrant or the consummation by the Selling Security Holder of the Placement.

2. PURCHASE, SALE AND DELIVERY OF THE WARRANT.

(a) On the basis of the representations, warranties and covenants contained herein and in each Bidder Letter, and subject to the conditions set forth herein and in the Auction procedures described in each Bidder Letter, the Selling Security Holder agrees to sell, and the Placement Agent agrees to use commercially reasonable efforts to place, the Warrant at a price (the "Clearing Price") equal to the highest bid received for the Warrant in the related Auction (such Clearing Price to be determined in writing by the Selling Security Holder and the Placement Agent following the bid submission deadline for the Auction) directly to the Bidder that the Placement Agent and the Selling Security Holder determine pursuant to the Auction procedures has won the Auction (such Bidder, the "Winning Bidder"); provided that the Selling Security Holder may, in its discretion, determine not to sell the Warrant upon completion of the Auction. The Selling Security Holder shall notify the Placement Agent whether it has decided to sell the Warrant in the Auction as promptly as practicable after completion of the Auction and determination of the Clearing Price.

(b) As compensation for the services to be provided by the Placement Agent in connection with the Auction, the Placement Agent shall be entitled to receive the placement fees (the "Placement Fees") with respect to such Auction determined pursuant to the Services Agreement No. 2 dated as November 4, 2011 between the Placement Agent and an agent of the Selling Security Holder (as the same may be amended from time to time, the "Services Agreement"), which shall be paid in the manner set forth in the Services Agreement.

(c) The closing of the issuance and sale of the Warrant shall be held at the office of Paul, Weiss, Rifkind, Wharton & Garrison LLP (unless another place shall be agreed upon by the parties hereto) at 10:00 a.m., New York time, on June 12, 2013 or at such other time and date not later than five business days thereafter as the Winning Bidder and the parties hereto shall agree

upon, such time and date being herein referred to as the "Closing Date." (As used herein, "business day" means a day on which the Exchange is open for trading and on which banks in New York are open for business and not permitted by law or executive order to be closed.) Prior to the Closing Date, the Selling Security Holder, or the Placement Agent if so directed by the Selling Security Holder, will provide payment and wire transfer instructions to the Winning Bidder, which will instruct such Winning Bidder to pay to the Selling Security Holder on the Closing Date, in accordance with such instructions, the aggregate purchase price for the Warrant by wire transfer of Federal or other funds immediately available in New York. Delivery of the Warrant shall be in the form of a physical certificate registered in the name of (or in the name provided by) the Winning Bidder, and the Company shall deliver such physical certificate to the Winning Bidder at the Closing Date.

3. OFFERING OF THE WARRANT.

(a) The Company represents and warrants to and agrees with the Placement Agent and the Selling Security Holder that neither the Company nor any person acting on its behalf has solicited or will solicit any offer to buy, or has offered or will make any offer to sell, the Warrant or the Warrant Shares excluding, for the avoidance of doubt, any bid for or purchase of the Warrant made by the Company pursuant to the Auction.

(b) The Company represents and warrants to the Placement Agent and the Selling Security Holder that (i) the list of persons attached hereto as Exhibit C includes all directors and officers that the Company has requested be included as Bidders in the Auction; and (ii) each of such persons is currently a director or officer, as the case may be, of the Company.

(c) The Selling Security Holder represents and warrants to and agrees with the Placement Agent and the Company that, other than pursuant to the Auction, neither the Selling Security Holder nor any person acting on its behalf (other than the Placement Agent, as to which no representation is made) has solicited or will solicit any offer to buy, or has offered or will make any offer to sell, the Warrant or the Warrant Shares.

(d) The Placement Agent represents and warrants to and agrees with the Selling Security Holder and the Company that (i) each of the Placement Agent and any person acting on its behalf (other than the Selling Security Holder, as to which no representation is made) has solicited and will solicit offers to buy the Warrant only from, and has offered and will offer, sell or deliver the Warrant only to, Bidders that have, in their respective Bidder Letters, represented themselves to be either a QIB or an Institutional Accredited Investor; and (ii) each of the Placement Agent and any person acting on its behalf (other than the Selling Security Holder and the Company, as to which no representation is made) has solicited or will solicit any offer to buy, and has offered or will make any offer to sell, the Warrant only to persons that have executed a Bidder Letter in substantially the form attached hereto as Exhibit B.

(e) The Company recognizes and confirms that, other than with respect to the information contemplated by Section 12 hereof, the Placement Agent, in providing the services contemplated by this Agreement, (A) will be relying solely on the Company Exchange Act Filings and any information available from generally recognized public sources and (B) will not assume responsibility for the accuracy or completeness thereof.

(f) Each of the Company and the Placement Agent represents and warrants to and agrees with each of the other parties hereto that no action has been or is being taken by it or is contemplated by it that would permit an offering or sale of the Warrant or possession or distribution of the Time of Sale Information or any other offering material relating to the Warrant in any jurisdiction where, or in any other circumstances in which, action for those purposes is required.

4. CERTAIN COVENANTS OF THE COMPANY AND THE SELLING SECURITY HOLDER.

(a) The Company hereby covenants and agrees with the Placement Agent that:

(i) The Company will furnish such information as the Placement Agent may reasonably request or as required for the Placement.

(ii) The Company will advise the Placement Agent and the Selling Security Holder promptly, and confirm such advice in writing, of (i) the issuance by any governmental or regulatory authority of any order preventing or suspending the Placement or the use of any of the Time of Sale Information, or the initiation or threatening of any proceeding for that purpose; (ii) the occurrence of any event at any time prior to the completion of the offering of the Warrant as a result of which any of the Time of Sale Information as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances then existing, not misleading; and (iii) the receipt by the Company of any notice with respect to any suspension of the qualification of the Warrant for offer and sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and the Company will use its reasonable best efforts to prevent the issuance of any such order preventing or suspending the Placement or the use of any of the Time of Sale Information or suspending any such qualification of the Warrant and, if any such order is issued, will obtain as soon as possible the withdrawal thereof.

(iii) The Company will not amend or supplement the Time of Sale Information unless the Placement Agent shall previously have been advised thereof and shall have consented thereto (which consent shall not be unreasonably withheld or delayed) or not have reasonably objected thereto in writing within a reasonable time after being furnished a copy thereof.

(iv) Neither the Company nor any of its affiliates will sell, offer for sale, solicit offers to buy or otherwise negotiate in respect of any security (as defined in the Act) which could be integrated with the sale of the Warrant or the Warrant Shares in a manner that would require registration of the Warrant or the Warrant Shares under the Act.

(v) The Company will not resell any Warrant that it may acquire, and will not permit any of its affiliates to sell any Warrant or Warrant Shares that any of them may acquire other than (a) to the Company, (b) in transactions complying with Rule 144 (or

other transaction exempt from registration under the Act), or (c) in sales to other affiliates subject to the same restrictions.

(vi) The Company will prepare a physical certificate representing the Warrant in a form substantially similar to the form of Warrant Certificate attached hereto as Exhibit A.

(vii) No offering, sale, short sale or other disposition of any warrants or shares of Common Stock of the Company or other securities convertible into or exchangeable or exercisable for shares of Common Stock or derivative of Common Stock (or agreement for such) will be made for a period of 45 days after the date of this Agreement (such period, the "Lockup Period"), directly or indirectly, by the Company otherwise than hereunder or with the prior written consent of the Placement Agent. Such restrictions shall not apply to (i) the issuance by the Company of Common Stock or securities convertible into or exchangeable for Common Stock in connection with the exercise of any option or warrant or the conversion of a security outstanding on the date of this Agreement, (ii) the sale or distribution by the Company of equity securities and/or options or other rights in respect thereof solely registered on Form S-4 or S-8 (or any successor form), (iii) grants and issuances by the Company of shares of equity securities and/or options or other rights in respect thereof pursuant to stock-based compensation or incentive plans of the Company, (iv) the issuance of shares of Common Stock in connection with dividend reinvestment plans or employee stock purchase plans, and (v) issuances of shares of Common Stock in connection with any court order or decree.

(viii) The Company will use reasonable best efforts to effect and maintain, subject to notice of issuance, the listing of the Warrant Shares issuable upon the exercise of the Warrant on the Exchange.

(ix) The Company will keep available at all times, free of preemptive or other similar rights, a sufficient number of shares of Common Stock for the purpose of enabling the Company to satisfy any obligation to issue Warrant Shares upon exercise of the Warrant.

(x) The Company will use its reasonable best efforts to qualify the Warrant and the Warrant Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Placement Agent shall reasonably request and to continue such qualifications in effect so long as required for the Placement; provided, however, that the Company shall not be required to file a general consent to service of process in any jurisdiction or qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which is it not so qualified or subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(xi) The Company will maintain a transfer agent for the Common Stock.

(xii) The Company will not take, directly or indirectly, any action designed to cause or result in, or that has constituted or might reasonably be expected to constitute, the stabilization or manipulation of the price of the Warrant or the Common Stock

excluding, for the avoidance of doubt, any bid for or purchase of the Warrant made pursuant to the Auction.

(b) The Selling Security Holder covenants and agrees with the Placement Agent that it will not distribute any written materials in connection with the Auction or the offer or sale of the Warrant without the prior approval of the Placement Agent.

5. COSTS AND EXPENSES.

The Company will pay all costs, expenses and fees incident to the performance of its obligations under this Agreement and certain costs, expenses and fees of the Selling Security Holder, including, without limiting the generality of the foregoing, the following: (i) accounting fees of the Company; (ii) the fees and disbursements of counsel for the Company; (iii) the cost of printing and delivering to, or as requested by, the Placement Agent copies of the Time of Sale Information, this Agreement and any supplements or amendments thereto; (iv) any listing fee of the Exchange with respect to the Warrant Shares; and (v) the expenses, including the reasonable fees and disbursements of counsel to the Placement Agent, incurred in connection with the qualification of the Warrant and the Warrant Shares under state securities or Blue Sky laws relating specifically to the Placement. Neither the Company nor the Selling Security Holder shall be required to pay for any expenses of the Placement Agent (other than those related to state securities or Blue Sky laws) except that if this Agreement shall not be consummated (a) because the conditions in Section 6 hereof (other than Section 6(b)) are not satisfied, (b) because this Agreement is terminated by the Placement Agent pursuant to Section 10(a)(i), (v) or (vi) or Section 10(b) hereof, or (c) by reason of any failure, refusal or inability on the part of the Company to perform any undertaking or satisfy any condition of this Agreement or to comply with any of the terms hereof on its part to be performed, unless such failure, refusal or inability is (1) due primarily to the default or omission of the Placement Agent or (2) because the Selling Security Holder is not selling the Warrant pursuant to Section 2(a) of this Agreement, then in the case of any of (a), (b) or (c) the Company shall reimburse the Placement Agent for reasonable out-of-pocket expenses, including fees and disbursements of counsel, reasonably incurred in connection with conducting the Auction, investigating, marketing and proposing to market the Warrant or in contemplation of performing its obligations hereunder; provided that the Company and the Selling Security Holder shall not in any event be liable to the Placement Agent for damages on account of loss of anticipated profits from the sale by it of the Warrant.

The provisions of this Section shall not supersede or otherwise affect any agreement that the Company and the Selling Security Holder may otherwise have for the allocation of such expenses between them.

6. CONDITIONS OF THE PLACEMENT AGENT'S OBLIGATIONS.

The obligations of the Placement Agent hereunder are subject to the accuracy, as of each Applicable Time and the Closing Date, of the representations and warranties of the Company and the Selling Security Holder contained herein, and to performance by the Company and the Selling Security Holder of their respective covenants and obligations hereunder and to the following additional conditions:

(a) No suspension of the qualification of the Warrant for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes, shall have occurred. The Time of Sale Information and all amendments or supplements thereto, or modifications thereof, if any, shall not contain an untrue statement of material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading. Since the respective dates as of which information is given in the Time of Sale Information, and except as otherwise publicly disclosed, there has not been any material adverse change in or affecting the business, management, results of operations, or financial condition of the Company and its subsidiaries, taken as a whole. No injunction, restraining order or order of any nature by a Federal or state court of competent jurisdiction shall have been issued as of the Closing Date that would prevent the offer or sale of the Warrant.

(b) The Selling Security Holder and the Placement Agent shall have determined the Clearing Price in writing.

(c) At the Closing, the Warrant shall be reissued in the name of the Winning Bidder (or in such other name as may be directed by the Winning Bidder).

(d) The Warrant Shares have been approved for listing, subject to notice of issuance, on the Exchange.

If any of the conditions hereinabove provided for in this Section 6 shall not have been fulfilled when and as required by this Agreement to be fulfilled, the obligations of the Placement Agent hereunder may be terminated by the Placement Agent by notifying the Company and the Selling Security Holder of such termination in writing at or prior to the Closing Date. In such event, the Selling Security Holder, the Company and the Placement Agent shall not be under any obligation to each other (except to the extent provided in Sections 5 and 8 hereof).

7. CONDITIONS OF THE SELLING SECURITY HOLDER'S OBLIGATIONS.

The obligations of the Selling Security Holder to sell and deliver the Warrant required to be delivered as and when specified in this Agreement are subject to the accuracy, as of each Applicable Time and the Closing Date, of the representations and warranties of the Company contained herein, and to the performance by the Company of its covenants and obligations hereunder and to the following additional conditions:

(a) No suspension of the qualification of the Warrant for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes, shall have occurred. The Time of Sale Information and all amendments or supplements thereto, or modifications thereof, if any, shall not contain an untrue statement of material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading. Since the respective dates as of which information is given in the Time of Sale Information, and except as otherwise publicly disclosed, there has not been any material adverse change in or affecting the business, management, results of operations, or financial condition of the Company and its subsidiaries, taken as a whole. No injunction, restraining order or order of any nature by a Federal or state court of competent

jurisdiction shall have been issued as of the Closing Date that would prevent the offer or sale of the Warrant.

(b) The Selling Security Holder and the Placement Agent shall have determined the Clearing Price in writing.

(c) At the Closing, the Warrant shall be reissued in the name of the Winning Bidder (or in such other name as may be directed by the Winning Bidder).

(d) The Warrant Shares have been approved for listing, subject to notice of issuance, on the Exchange.

If any of the conditions hereinabove provided for in this Section 7 shall not have been fulfilled when and as required by this Agreement to be fulfilled, the obligations of the Selling Security Holder hereunder may be terminated by the Selling Security Holder by notifying the Company and the Placement Agent of such termination in writing at or prior to the Closing Date. In such event, the Selling Security Holder, the Company and the Placement Agent shall not be under any obligation to each other (except to the extent provided in Sections 5 and 8 hereof).

8. INDEMNIFICATION.

(a) The Company agrees:

(i) to indemnify and hold harmless the Placement Agent, the directors, officers, agents and employees of the Placement Agent and each person, if any, who controls the Placement Agent within the meaning of either Section 15 of the Act or Section 20 of the Exchange Act, against any losses, claims, damages or liabilities to which the Placement Agent or any such other indemnified person may become subject under the Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Time of Sale Information or any amendment or supplement thereto, or any information provided by the Company to any holder or prospective purchaser of the Warrant or in any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement, or omission or alleged omission made in the Time of Sale Information or such other information, or such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by or through the Placement Agent specifically for use therein, it being understood and agreed that the only such information furnished by the Placement Agent consists of the information described as such in Section 12 herein; and

(ii) to reimburse the Placement Agent, the Placement Agent's directors, officers, agents and employees, and each such indemnified person upon demand for any legal or other out-of-pocket expenses reasonably incurred by the Placement Agent or any

of them in connection with investigating or defending any such loss, claim, damage or liability, action or proceeding or in responding to a subpoena or governmental inquiry related to the offering of the Warrant, whether or not the Placement Agent or any of them is a party to any action or proceeding. In the event that it is finally judicially determined that the Placement Agent was not entitled to receive payments for legal and other expenses pursuant to this subparagraph, the Placement Agent will promptly return all sums that had been advanced pursuant hereto.

This indemnity agreement will be in addition to any liability the Company may otherwise have.

(b) The Placement Agent will indemnify and hold harmless the Company, each of its directors, each of its officers, and each person, if any, who controls the Company or the Selling Security Holder within the meaning of the Act or the Exchange Act, against any losses, claims, damages or liabilities to which the Company or any such director, officer, Selling Security Holder or controlling person may become subject under the Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) arise out of or are based upon (i) any untrue statement or alleged untrue statement of any material fact contained in the Time of Sale Information or any amendment or supplement thereto, or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and will reimburse any legal or other expenses reasonably incurred by the Company or any such director, officer, Selling Security Holder or controlling person in connection with investigating or defending any such loss, claim, damage, liability, action or proceeding; provided, however, that the Placement Agent will be liable in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission has been made in the Time of Sale Information or such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by or through the Placement Agent specifically for use therein, it being understood and agreed that the only such information furnished by or on behalf of the Placement Agent consists of the information described as such in Section 12 herein. This indemnity agreement will be in addition to any liability the Placement Agent may otherwise have.

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to this Section 8, such person (the "indemnified party") shall promptly notify the person against whom such indemnity may be sought (the "indemnifying party") in writing. No indemnification provided for in Section 8(a) or (b) shall be available to any party who shall fail to give notice as provided in this Section 8(c) if the party to whom notice was not given was unaware of the proceeding to which such notice would have related and was materially prejudiced by the failure to give such notice, but the failure to give such notice shall not relieve the indemnifying party or parties from any liability which it or they may have to the indemnified party for contribution or otherwise than on account of the provisions of Section 8(a) or (b). In case any such proceeding shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall assume the defense thereof, including the employment of counsel reasonably satisfactory to such indemnified party and payment of all fees

and expenses. The indemnified party shall have the right to employ separate counsel in any such action and 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 employment of such counsel shall have been specifically authorized in writing by the indemnifying party, (ii) the indemnifying party shall have failed to assume the defense and employ counsel satisfactory to the indemnified party or (iii) the named parties to any such action (including any impleaded parties) include both the indemnified party and the indemnifying party and the indemnified party shall have been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the indemnifying party (in which case the indemnifying party shall not have the right to assume the defense of such action on behalf of the indemnified party); provided, however, that the indemnifying party shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) for the indemnified party, which firm shall be designated in writing by the indemnified party with respect to such action or actions. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. In addition, the indemnifying party will not, without the prior written consent of the indemnified party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding of which indemnification may be sought hereunder (whether or not any indemnified party is an actual or potential party to such claim, action or proceeding) unless such settlement, compromise or consent includes an unconditional release of the indemnified party from all liability arising out of such claim, action or proceeding.

(d) To the extent the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under Section 8(a) or (b) above in respect of any losses, claims, damages or liabilities (or actions or proceedings in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Security Holder on the one hand and the Placement Agent on the other from the offering of the Warrant. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company and the Selling Security Holder on the one hand and the Placement Agent on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions or proceedings in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Security Holder on the one hand and the Placement Agent on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Selling Security Holder bear to the total fees received by the Placement Agent. The relative fault 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 the Company or the Selling Security Holder on the one hand

or the Placement Agent on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Placement Agent agree that it would not be just and equitable if contributions pursuant to this Section 8(d) were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to above in this Section 8(d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions or proceedings in respect thereof) referred to above in this Section 8(d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 8(d), (i) the Placement Agent shall not be required to contribute any amount in excess of the fees paid to it in respect of the Warrant sold and (ii) no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) Any expenses for which an indemnified party is entitled to indemnification or contribution under this Section 8 shall be paid by the indemnifying party to the indemnified party as such expenses are incurred. The indemnity and contribution agreements contained in this Section 8 and the representations and warranties of the Company set forth in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the Placement Agent , its directors or officers or any person controlling the Placement Agent, the Company, its directors or officers or any persons controlling the Company, (ii) acceptance of the Warrant and payment therefor hereunder, or (iii) any termination of this Agreement.

(f) The provisions of this Section 8 shall not be deemed to supersede or otherwise affect the Letter Agreement dated January 16, 2009 between the Company and the Selling Security Holder (and the Securities Purchase Agreement Standard Terms incorporated therein), pursuant to which the Selling Security Holder purchased the Warrant from the Company, with respect to the rights (including the rights of their respective agents) and obligations of each of them to the other pursuant thereto.

9. NOTICES.

All communications hereunder shall be in writing and, except as otherwise provided herein, will be mailed, delivered, faxed, telecopied or telegraphed and confirmed as follows: if to the Placement Agent, to Deutsche Bank Securities Inc., 60 Wall Street, 4th Floor, New York, New York 10005; Attention: Equity Capital Markets Syndicate Desk, with a copy to Deutsche Bank Securities Inc., 60 Wall Street, New York, New York 10005, Attention: General Counsel; if to the Selling Security Holder, to United States Department of the Treasury, 1500 Pennsylvania Avenue, NW, Washington, D.C. 20220, with a copy to Chief Counsel, Office of Financial Stability, OFSChiefCounselNotice@do.treas.gov, facsimile: 202-927-9219; and if to the Company, to MetroCorp Bancshares, Inc., 9600 Bellaire Boulevard, Suite 252, Houston, Texas 77036 Attention: George M. Lee, Facsimile: (713) 414-3748.

10. TERMINATION.

This Agreement may be terminated by the Placement Agent by notice to the Company and the Selling Security Holder (a) at any time prior to the Closing Date if any of the following has occurred: (i) since the respective dates as of which information is given in the Time of Sale Information, any material adverse change or any development involving a prospective material adverse change in or affecting the business, management, operations or financial condition of the Company and its subsidiaries, taken as a whole, whether or not arising in the ordinary course of business, (ii) any outbreak or escalation of hostilities or declaration of war or national emergency or other national or international calamity or crisis (including, without limitation, an act of terrorism) or change in economic or political conditions if the effect of such outbreak, escalation, declaration, emergency, calamity, crisis or change on the financial markets of the United States would, in the judgment of the Placement Agent, be so material and adverse as to make it impractical or inadvisable to market the Warrant or enforce a contract for the sale of the Warrant, (iii) suspension of trading in securities generally on the Exchange or limitation on prices (other than limitations on hours or numbers of days of trading) for securities on the Exchange, (iv) the declaration of a banking moratorium by United States or New York State authorities, (v) any downgrading in the rating of any of the Company's debt securities by any "nationally recognized statistical rating organization" (as that term is defined by the Commission for purposes of Section 3(a)(62) under the Act), or (vi) the suspension of trading of the Common Stock by the Exchange, the Commission, or any other governmental authority; or (b) as provided in Section 6 of this Agreement.

11. SUCCESSORS.

This Agreement has been and is made solely for the benefit of the Placement Agent, the Company and the Selling Security Holder and their respective successors, administrators and assigns, and the officers, directors and controlling persons referred to in Section 8 hereof, and no other person will have any right or obligation hereunder. No purchaser of the Warrant shall be deemed a successor or assign merely because of such purchase.

12. INFORMATION PROVIDED BY THE PLACEMENT AGENT.

The parties hereto acknowledge and agree that the only information furnished or to be furnished by the Placement Agent to the Company for inclusion in the Time of Sale Information consists of the information contained in Schedule B to the Bidder Letter entitled "Auction Process."

13. MISCELLANEOUS.

The reimbursement, indemnification and contribution agreements contained in this Agreement and the representations, warranties and covenants in this Agreement shall remain in full force and effect regardless of (a) any termination of this Agreement, (b) any investigation made by or on behalf of the Placement Agent or controlling person thereof, or by or on behalf of the Company or its directors or officers or the Selling Security Holder or controlling person thereof, as the case may be, and (c) delivery of and payment for the Warrant under this Agreement.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York; provided that all rights and obligations of the Selling Security Holder under this Agreement shall be governed by and construed in accordance with the federal law of the United States of America. To the extent that a court looks to the laws of any State to determine or define the United States federal law, it is the intention of the parties hereto that such court shall look only to the laws of the State of New York without regard to its rules of conflicts of laws.

The provisions of this Agreement shall not be deemed to supersede or otherwise affect the Letter Agreement or any services agreement between the Placement Agent and any agent of the Selling Security Holder with respect to the rights of the Placement Agent and the Selling Security Holder (including the rights of their respective agents) and obligations of each of them to the other pursuant thereto.

The Placement Agent, on the one hand, and the Company (on its own behalf and, to the extent permitted by law, on behalf of its stockholders), on the other hand, waive any right to trial by jury in any action, claim, suit or proceeding with respect to the engagement of the Placement Agent or its role in connection herewith.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us three enclosed duplicates hereof, whereupon it will become a binding agreement among the Company, the Selling Security Holder and the Placement Agent in accordance with its terms.

Very truly yours,

MetroCorp Bancshares, Inc.

By [redacted]
Name: David C. Choi
Title: Chief Financial Officer

UNITED STATES DEPARTMENT OF THE TREASURY, as Selling Security Holder

By _____

The foregoing Placement Agreement is hereby confirmed and accepted as of the date first above written.

DEUTSCHE BANK SECURITIES INC.

By _____
Authorized Officer

By _____
Authorized Officer

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us three enclosed duplicates hereof, whereupon it will become a binding agreement among the Company, the Selling Security Holder and the Placement Agent in accordance with its terms.

Very truly yours,

MetroCorp Bancshares, Inc.

By _____
Name: David C. Choi
Title: Chief Financial Officer

UNITED STATES DEPARTMENT OF THE TREASURY, as Selling Security Holder

By [redacted]
Name: Timothy G. Massad
Title: Assistant Secretary for Financial Stability

The foregoing Placement Agreement is hereby confirmed and accepted as of the date first above written.

DEUTSCHE BANK SECURITIES INC.

By _____
Authorized Officer

By _____
Authorized Officer

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us three enclosed duplicates hereof, whereupon it will become a binding agreement among the Company, the Selling Security Holder and the Placement Agent in accordance with its terms.

Very truly yours,

MetroCorp Bancshares, Inc.

By _____
Name: David C. Choi
Title: Chief Financial Officer

UNITED STATES DEPARTMENT OF THE TREASURY, as Selling Security Holder

By _____

The foregoing Placement Agreement is hereby confirmed and accepted as of the date first above written.

DEUTSCHE BANK SECURITIES INC.

By [redacted]
Authorized Officer

By [redacted]
Authorized Officer

EXHIBIT A

FORM OF WARRANT

WARRANT
to purchase
771,429
Shares of Common Stock

of MetroCorp Bancshares, Inc.

1. Definitions. Unless the context otherwise requires, when used herein the following terms shall have the meanings indicated.

"*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, 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.

"*Board of Directors*" means the board of directors of the Company, including any duly authorized committee thereof.

"*Business Combination*" means a merger, consolidation, statutory share exchange or similar transaction that requires the approval of the Company's stockholders.

"*business day*" means any day except Saturday, Sunday and any day on which banking institutions in the State of New York generally are authorized or required by law or other governmental actions to close.

"*Capital Stock*" means (A) with respect to any Person that is a corporation or company, any and all shares, interests, participations or other equivalents (however designated) of capital or capital stock of such Person and (B) with respect to any Person that is not a corporation or company, any and all partnership or other equity interests of such Person.

"*Charter*" means, with respect to any Person, its certificate or articles of incorporation, articles of association, or similar organizational document.

"*Common Stock*" means the common stock, par value $1.00 per share, of the Company.

"*Company*" means the Person whose name, corporate or other organizational form and jurisdiction of organization is set forth in Item 1 of Schedule A hereto.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"*Exercise Price*" means the amount set forth in Item 2 of Schedule A hereto.

"*Expiration Date*" means the date set forth in Item 3 of Schedule A hereto.

"*Expiration Time*" means 5:00 p.m., New York City time on the Expiration Date.

"*Fair Market Value*" means, with respect to any security or other property, the fair market value of such security or other property as determined by the Board of Directors, acting in good faith.

"*Governmental Entities*" means, collectively, all United States and other governmental, regulatory or judicial authorities.

"*Market Price*" means, with respect to a particular security, on any given day, the last reported sale price regular way or, in case no such reported sale takes place on such day, the average of the last closing bid and ask prices regular way, in either case on the principal national securities exchange on which the applicable securities are listed or admitted to trading, or if not listed or admitted to trading on any national securities exchange, the average of the closing bid and ask prices as furnished by two members of the Financial Industry Regulatory Authority, Inc. selected from time to time by the Company for that purpose. "Market Price" shall be determined without reference to after hours or extended hours trading. If such security is not listed and traded in a manner that the quotations referred to above are available for the period required hereunder, the Market Price per share of Common Stock shall be deemed to be the fair market value per share of such security as determined in good faith by the Board of Directors in reliance on an opinion of a nationally recognized independent investment banking corporation retained by the Company for this purpose and certified in a resolution to the Warrantholder. For the purposes of determining the Market Price of the Common Stock on the "trading day" preceding, on or following the occurrence of an event, (i) that trading day shall be deemed to commence immediately after the regular scheduled closing time of trading on the principal stock exchange on which the Common Stock is then listed or traded (or, if not so listed or traded, the New York Stock Exchange) or, if trading is closed at an earlier time, such earlier time and (ii) that trading day shall end at the next regular scheduled closing time, or if trading is closed at an earlier time, such earlier time (for the avoidance of doubt, and as an example, if the Market Price is to be determined as of the last trading day preceding a specified event and the closing time of trading on a particular day is 4:00 p.m. and the specified event occurs at 5:00 p.m. on that day, the Market Price would be determined by reference to such 4:00 p.m. closing price).

"*Ordinary Cash Dividends*" means a regular quarterly cash dividend on shares of Common Stock out of surplus or net profits legally available therefor (determined in accordance with U.S. GAAP in effect from time to time), *provided* that Ordinary Cash Dividends shall not include any cash dividends to the extent the aggregate per share dividends paid on the outstanding Common Stock in any quarter exceed the Quarterly Dividend Threshold, as adjusted for any stock split, stock dividend, reverse stock split, reclassification or similar transaction.

"*Person*" has the meaning given to it in Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act.

"*Per Share Fair Market Value*" has the meaning set forth in Section 13(C).

"*Pro Rata Repurchases*" means any purchase of shares of Common Stock by the Company or any Affiliate thereof pursuant to (A) any tender offer or exchange offer subject to Section 13(e) or 14(e) of the Exchange Act or Regulation 14E promulgated thereunder or (B) any other offer available to substantially all holders of Common Stock, in the case of both (A) or (B), whether for cash, shares of Capital Stock of the Company, other securities of the Company, evidences of indebtedness of the Company or any other Person or any other property (including, without limitation, shares of Capital Stock, other securities or evidences of indebtedness of a subsidiary), or any combination thereof, effected while this Warrant is outstanding. The "*Effective Date*" of a Pro Rata Repurchase shall mean the date of acceptance of shares for purchase or exchange by the Company under any tender or exchange offer which is a Pro Rata Repurchase or the date of purchase with respect to any Pro Rata Repurchase that is not a tender or exchange offer.

"*Quarterly Dividend Threshold*" means the amount set forth in Item 4 of Schedule A hereto.

"*Regulatory Approvals*" with respect to the Warrantholder, means, to the extent applicable and required to permit the Warrantholder to exercise this Warrant for shares of Common Stock and to own such Common Stock without the Warrantholder being in violation of applicable law, rule or regulation, the receipt of any necessary approvals and authorizations of, filings and registrations with, notifications to, or expiration or termination of any applicable waiting period under, the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder.

"*SEC*" means the U.S. Securities and Exchange Commission.

"*Securities Act*" means the Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"*Shares*" has the meaning set forth in Section 2.

"trading day" means (A) if the shares of Common Stock are not traded on any national or regional securities exchange or association or over-the-counter market, a business day or (B) if the shares of Common Stock are traded on any national or regional securities exchange or association or over-the-counter market, a business day on which such relevant exchange or quotation system is scheduled to be open for business and on which the shares of Common Stock (i) are not suspended from trading on any national or regional securities exchange or association or over-the-counter market for any period or periods aggregating one half hour or longer; and (ii) have traded at least once on the national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of the shares of Common Stock. The term "trading day" with respect to any security other than the Common Stock shall have a correlative meaning based on the primary exchange or quotation system on which such security is listed or traded.

"*U.S. GAAP*" means United States generally accepted accounting principles.

"*Warrantholder*" has the meaning set forth in Section 2.

"*Warrant*" means this Warrant.

"*Warrant Shares*" means the number of Shares set forth in Item 6 of Schedule A hereto, as may be adjusted pursuant to the terms hereof from time to time.

2. Number of Shares; Exercise Price. This certifies that, for value received, the person in whose name this Warrant is registered as set forth in Item 9 of Schedule A or such person's permitted assigns (the "*Warrantholder*") is entitled, upon the terms and subject to the conditions hereinafter set forth, to acquire from the Company, in whole or in part, after the receipt of all applicable Regulatory Approvals, if any, up to an aggregate of the number of fully paid and nonassessable shares of Common Stock set forth in Item 6 of Schedule A hereto, at a purchase price per share of Common Stock equal to the Exercise Price. The number of shares of Common Stock (the "*Shares*") and the Exercise Price are subject to adjustment as provided herein, and all references to "Common Stock," "Shares" and "Exercise Price" herein shall be deemed to include any such adjustment or series of adjustments.

3. Exercise of Warrant; Term. Subject to Section 2, to the extent permitted by applicable laws and regulations, the right to purchase the Shares represented by this Warrant is exercisable, in whole or in part by the Warrantholder, at any time or from time to time after the execution and delivery of this Warrant by the Company on the date hereof, but in no event later than the Expiration Time, by (A) the surrender of this Warrant and Notice of Exercise annexed hereto, duly completed and executed on behalf of the Warrantholder, at the principal executive office of the Company located at the address set forth in Item 7 of Schedule A hereto (or such other office or agency of the Company in the United States as it may designate by notice in writing to the Warrantholder at the address of the Warrantholder appearing on the books of the Company), and (B) payment of the Exercise Price for the Shares thereby purchased by having the Company withhold, from the shares of Common Stock that would otherwise be delivered to the Warrantholder upon such exercise, shares of Common Stock issuable upon exercise of the Warrant equal in value to the aggregate Exercise Price as to which this Warrant is so exercised based on the Market Price of the Common Stock on the trading day on which this Warrant is exercised and the Notice of Exercise is delivered to the Company pursuant to this Section 3.

If the Warrantholder does not exercise this Warrant in its entirety, the Warrantholder will be entitled to receive from the Company within a reasonable time, and in any event not exceeding three business days, a new warrant in substantially identical form for the purchase of that number of Shares equal to the difference between the number of Shares subject to this Warrant and the number of Shares as to which this Warrant is so exercised. Notwithstanding anything in this Warrant to the contrary, the Warrantholder hereby acknowledges and agrees that its exercise of this Warrant for Shares is subject to the condition that the Warrantholder will have first received any applicable Regulatory Approvals.

4. Issuance of Shares; Authorization; Listing. Certificates for Shares issued upon exercise of this Warrant will be issued in such name or names as the Warrantholder may

designate (or, if requested by the Warrantholder and agreed by the Company, Shares will be issued via book-entry transfer crediting the specified account of such named Person or Persons) and will be delivered to such named Person or Persons within a reasonable time, not to exceed three business days after the date on which this Warrant has been duly exercised in accordance with the terms of this Warrant. The Company hereby represents and warrants that any Shares issued upon the exercise of this Warrant in accordance with the provisions of Section 3 will be duly and validly authorized and issued, fully paid and nonassessable and free from all taxes, liens and charges (other than liens or charges created by the Warrantholder, income and franchise taxes incurred in connection with the exercise of the Warrant or taxes in respect of any transfer occurring contemporaneously therewith). The Company agrees that the Shares so issued will be deemed to have been issued to the Warrantholder as of the close of business on the date on which this Warrant and payment of the Exercise Price are delivered to the Company in accordance with the terms of this Warrant, notwithstanding that the stock transfer books of the Company may then be closed or certificates representing such Shares may not be actually delivered on such date. The Company will at all times until the Expiration Time (or, if such date shall not be a business day, then on the next succeeding business day) reserve and keep available, out of its authorized but unissued Common Stock, solely for the purpose of providing for the exercise of this Warrant, the aggregate number of shares of Common Stock then issuable upon exercise of this Warrant at any time. The Company will (A) procure, at its sole expense, the listing of the Shares issuable upon exercise of this Warrant at any time, subject to issuance or notice of issuance, on all principal stock exchanges on which the Common Stock is then listed or traded and (B) maintain such listings of such Shares at all times after issuance. The Company will use reasonable best efforts to ensure that the Shares may be issued without violation of any applicable law or regulation or of any requirement of any securities exchange on which the Shares are listed or traded.

5. No Fractional Shares or Scrip. No fractional Shares or scrip representing fractional Shares shall be issued upon any exercise of this Warrant. In lieu of any fractional Share to which the Warrantholder would otherwise be entitled, the Warrantholder shall be entitled to receive a cash payment equal to the Market Price of the Common Stock on the last trading day preceding the date of exercise less the pro-rated Exercise Price for such fractional share.

6. No Rights as Stockholders; Transfer Books. This Warrant does not entitle the Warrantholder to any voting rights or other rights as a stockholder of the Company prior to the date of exercise hereof. The Company will at no time close its transfer books against transfer of this Warrant in any manner which interferes with the timely exercise of this Warrant.

7. Charges, Taxes and Expenses. Issuance of Shares to the Warrantholder upon the exercise of this Warrant shall be made without charge to the Warrantholder for any issue or transfer tax or other incidental expense in respect of the issuance of such Shares (other than liens or charges created by the Warrantholder, income and franchise taxes incurred in connection with the exercise of the Warrant or taxes in respect of any transfer occurring contemporaneously therewith), all of which taxes and expenses shall be paid by the Company.

8. Transfer/Assignment.

(A) Subject to compliance with clause (B) of this Section 8, this Warrant and all rights hereunder are transferable, in whole or in part, upon the books of the Company by the registered holder hereof in person or by duly authorized attorney, and a new warrant shall be made and delivered by the Company, of the same tenor and date as this Warrant but registered in the name of one or more transferees, upon surrender of this Warrant, duly endorsed, to the office or agency of the Company described in Section 3. All expenses (other than stock transfer taxes) and other charges payable in connection with the preparation, execution and delivery of the new warrants pursuant to this Section 8 shall be paid by the Company.

(B) Subject to compliance with applicable securities laws, the Warrantholder may transfer, sell, assign or otherwise dispose ("*Transfer*") all or a portion of the Warrant or the Shares issuable upon exercise of the Warrant at any time, and the Company shall take all steps as may be reasonably requested by the Warrantholder to facilitate such Transfer.

9. Exchange and Registry of Warrant. This Warrant is exchangeable, upon the surrender hereof by the Warrantholder to the Company, for a new warrant or warrants of like tenor and representing the right to purchase the same aggregate number of Shares. The Company shall maintain a registry showing the name and address of the Warrantholder as the registered holder of this Warrant. This Warrant may be surrendered for exchange or exercise in accordance with its terms, at the office of the Company, and the Company shall be entitled to rely in all respects, prior to written notice to the contrary, upon such registry.

10. Loss, Theft, Destruction or Mutilation of Warrant. Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant, and in the case of any such loss, theft or destruction, upon receipt of a bond, indemnity or security reasonably satisfactory to the Company, or, in the case of any such mutilation, upon surrender and cancellation of this Warrant, the Company shall make and deliver, in lieu of such lost, stolen, destroyed or mutilated Warrant, a new Warrant of like tenor and representing the right to purchase the same aggregate number of Shares as provided for in such lost, stolen, destroyed or mutilated Warrant.

11. Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a business day, then such action may be taken or such right may be exercised on the next succeeding day that is a business day.

12. [Reserved]

13. Adjustments and Other Rights. The Exercise Price and the number of Shares issuable upon exercise of this Warrant shall be subject to adjustment from time to time as follows; *provided*, that if more than one subsection of this Section 13 is applicable to a single event, the subsection shall be applied that produces the largest adjustment and no single event shall cause an adjustment under more than one subsection of this Section 13 so as to result in duplication:

(A) Stock Splits, Subdivisions, Reclassifications or Combinations. If the Company shall (i) declare and pay a dividend or make a distribution on its Common Stock in shares of

Common Stock, (ii) subdivide or reclassify the outstanding shares of Common Stock into a greater number of shares, or (iii) combine or reclassify the outstanding shares of Common Stock into a smaller number of shares, the number of Shares issuable upon exercise of this Warrant at the time of the record date for such dividend or distribution or the effective date of such subdivision, combination or reclassification shall be proportionately adjusted so that the Warrantholder after such date shall be entitled to purchase the number of shares of Common Stock which such holder would have owned or been entitled to receive in respect of the shares of Common Stock subject to this Warrant after such date had this Warrant been exercised immediately prior to such date. In such event, the Exercise Price in effect at the time of the record date for such dividend or distribution or the effective date of such subdivision, combination or reclassification shall be adjusted to the number obtained by dividing (x) the product of (1) the number of Shares issuable upon the exercise of this Warrant before such adjustment and (2) the Exercise Price in effect immediately prior to the record or effective date, as the case may be, for the dividend, distribution, subdivision, combination or reclassification giving rise to this adjustment by (y) the new number of Shares issuable upon exercise of the Warrant determined pursuant to the immediately preceding sentence.

(B) [Reserved]

(C) Other Distributions. In case the Company shall fix a record date for the making of a distribution to all holders of shares of its Common Stock of securities, evidences of indebtedness, assets, cash, rights or warrants (excluding Ordinary Cash Dividends, dividends of its Common Stock and other dividends or distributions referred to in Section 13(A)), in each such case, the Exercise Price in effect prior to such record date shall be reduced immediately thereafter to the price determined by multiplying the Exercise Price in effect immediately prior to the reduction by the quotient of (x) the Market Price of the Common Stock on the last trading day preceding the first date on which the Common Stock trades regular way on the principal national securities exchange on which the Common Stock is listed or admitted to trading without the right to receive such distribution, minus the amount of cash and/or the Fair Market Value of the securities, evidences of indebtedness, assets, rights or warrants to be so distributed in respect of one share of Common Stock (such amount and/or Fair Market Value, the "*Per Share Fair Market Value*") divided by (y) such Market Price on such date specified in clause (x); such adjustment shall be made successively whenever such a record date is fixed. In such event, the number of Shares issuable upon the exercise of this Warrant shall be increased to the number obtained by dividing (x) the product of (1) the number of Shares issuable upon the exercise of this Warrant before such adjustment, and (2) the Exercise Price in effect immediately prior to the distribution giving rise to this adjustment by (y) the new Exercise Price determined in accordance with the immediately preceding sentence. In the case of adjustment for a cash dividend that is, or is coincident with, a regular quarterly cash dividend, the Per Share Fair Market Value would be reduced by the per share amount of the portion of the cash dividend that would constitute an Ordinary Cash Dividend. In the event that such distribution is not so made, the Exercise Price and the number of Shares issuable upon exercise of this Warrant then in effect shall be readjusted, effective as of the date when the Board of Directors determines not to distribute such shares, evidences of indebtedness, assets, rights, cash or warrants, as the case may be, to the Exercise Price that would then be in effect and the number of Shares that would then be issuable upon exercise of this Warrant if such record date had not been fixed.

(D) Certain Repurchases of Common Stock. In case the Company effects a Pro Rata Repurchase of Common Stock, then the Exercise Price shall be reduced to the price determined by multiplying the Exercise Price in effect immediately prior to the Effective Date of such Pro Rata Repurchase by a fraction of which the numerator shall be (i) the product of (x) the number of shares of Common Stock outstanding immediately before such Pro Rata Repurchase and (y) the Market Price of a share of Common Stock on the trading day immediately preceding the first public announcement by the Company or any of its Affiliates of the intent to effect such Pro Rata Repurchase, minus (ii) the aggregate purchase price of the Pro Rata Repurchase, and of which the denominator shall be the product of (i) the number of shares of Common Stock outstanding immediately prior to such Pro Rata Repurchase minus the number of shares of Common Stock so repurchased and (ii) the Market Price per share of Common Stock on the trading day immediately preceding the first public announcement by the Company or any of its Affiliates of the intent to effect such Pro Rata Repurchase. In such event, the number of shares of Common Stock issuable upon the exercise of this Warrant shall be increased to the number obtained by dividing (x) the product of (1) the number of Shares issuable upon the exercise of this Warrant before such adjustment, and (2) the Exercise Price in effect immediately prior to the Pro Rata Repurchase giving rise to this adjustment by (y) the new Exercise Price determined in accordance with the immediately preceding sentence. For the avoidance of doubt, no increase to the Exercise Price or decrease in the number of Shares issuable upon exercise of this Warrant shall be made pursuant to this Section 13(D).

(E) Business Combinations. In case of any Business Combination or reclassification of Common Stock (other than a reclassification of Common Stock referred to in Section 13(A)), the Warrantholder's right to receive Shares upon exercise of this Warrant shall be converted into the right to exercise this Warrant to acquire the number of shares of stock or other securities or property (including cash) which the Common Stock issuable (at the time of such Business Combination or reclassification) upon exercise of this Warrant immediately prior to such Business Combination or reclassification would have been entitled to receive upon consummation of such Business Combination or reclassification; and in any such case, if necessary, the provisions set forth herein with respect to the rights and interests thereafter of the Warrantholder shall be appropriately adjusted so as to be applicable, as nearly as may reasonably be, to the Warrantholder's right to exercise this Warrant in exchange for any shares of stock or other securities or property pursuant to this paragraph. In determining the kind and amount of stock, securities or the property receivable upon exercise of this Warrant following the consummation of such Business Combination, if the holders of Common Stock have the right to elect the kind or amount of consideration receivable upon consummation of such Business Combination, then the consideration that the Warrantholder shall be entitled to receive upon exercise shall be deemed to be the types and amounts of consideration received by the majority of all holders of the shares of common stock that affirmatively make an election (or of all such holders if none make an election).

(F) Rounding of Calculations; Minimum Adjustments. All calculations under this Section 13 shall be made to the nearest one-tenth (1/10th) of a cent or to the nearest one-hundredth (1/100th) of a share, as the case may be. Any provision of this Section 13 to the contrary notwithstanding, no adjustment in the Exercise Price or the number of Shares into which this Warrant is exercisable shall be made if the amount of such adjustment would be less than $0.01 or one-tenth (1/10th) of a share of Common Stock, but any such amount shall be

carried forward and an adjustment with respect thereto shall be made at the time of and together with any subsequent adjustment which, together with such amount and any other amount or amounts so carried forward, shall aggregate $0.01 or 1/10th of a share of Common Stock, or more.

(G) Timing of Issuance of Additional Common Stock Upon Certain Adjustments. In any case in which the provisions of this Section 13 shall require that an adjustment shall become effective immediately after a record date for an event, the Company may defer until the occurrence of such event (i) issuing to the Warrantholder of this Warrant exercised after such record date and before the occurrence of such event the additional shares of Common Stock issuable upon such exercise by reason of the adjustment required by such event over and above the shares of Common Stock issuable upon such exercise before giving effect to such adjustment and (ii) paying to such Warrantholder any amount of cash in lieu of a fractional share of Common Stock; *provided, however*, that the Company upon request shall deliver to such Warrantholder a due bill or other appropriate instrument evidencing such Warrantholder's right to receive such additional shares, and such cash, upon the occurrence of the event requiring such adjustment.

(H) [Reserved]

(I) Other Events. The Exercise Price or the number of Shares into which this Warrant is exercisable shall not be adjusted in the event of a change in the par value of the Common Stock or a change in the jurisdiction of incorporation of the Company.

(J) Statement Regarding Adjustments. Whenever the Exercise Price or the number of Shares into which this Warrant is exercisable shall be adjusted as provided in Section 13, the Company shall forthwith file at the principal office of the Company a statement showing in reasonable detail the facts requiring such adjustment and the Exercise Price that shall be in effect and the number of Shares into which this Warrant shall be exercisable after such adjustment, and the Company shall also cause a copy of such statement to be sent by mail, first class postage prepaid, to each Warrantholder at the address appearing in the Company's records.

(K) Notice of Adjustment Event. In the event that the Company shall propose to take any action of the type described in this Section 13 (but only if the action of the type described in this Section 13 would result in an adjustment in the Exercise Price or the number of Shares into which this Warrant is exercisable or a change in the type of securities or property to be delivered upon exercise of this Warrant), the Company shall give notice to the Warrantholder, in the manner set forth in Section 13(J), which notice shall specify the record date, if any, with respect to any such action and the approximate date on which such action is to take place. Such notice shall also set forth the facts with respect thereto as shall be reasonably necessary to indicate the effect on the Exercise Price and the number, kind or class of shares or other securities or property which shall be deliverable upon exercise of this Warrant. In the case of any action which would require the fixing of a record date, such notice shall be given at least 10 days prior to the date so fixed, and in case of all other action, such notice shall be given at least 15 days prior to the taking of such proposed action. Failure to give such notice, or any defect therein, shall not affect the legality or validity of any such action.

(L) Proceedings Prior to Any Action Requiring Adjustment. As a condition precedent to the taking of any action which would require an adjustment pursuant to this Section 13, the Company shall take any action which may be necessary, including obtaining regulatory, New York Stock Exchange, NASDAQ Stock Market or other applicable national securities exchange or stockholder approvals or exemptions, in order that the Company may thereafter validly and legally issue as fully paid and nonassessable all shares of Common Stock that the Warrantholder is entitled to receive upon exercise of this Warrant pursuant to this Section 13.

(M) Adjustment Rules. Any adjustments pursuant to this Section 13 shall be made successively whenever an event referred to herein shall occur. If an adjustment in Exercise Price made hereunder would reduce the Exercise Price to an amount below par value of the Common Stock, then such adjustment in Exercise Price made hereunder shall reduce the Exercise Price to the par value of the Common Stock.

14. [Reserved]

15. No Impairment. The Company will not, by amendment of its Charter 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 Company, but will at all times in good faith assist in the carrying out of all the provisions of this Warrant and in taking of all such action as may be necessary or appropriate in order to protect the rights of the Warrantholder.

16. Governing Law. **This Warrant will be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State. To the extent permitted by applicable law, each of the Company and the Warrantholder hereby unconditionally waives trial by jury in any civil legal action or proceeding relating to the Warrant or the transactions contemplated hereby or thereby.**

17. Binding Effect. This Warrant shall be binding upon any successors or assigns of the Company.

18. Amendments. This Warrant may be amended and the observance of any term of this Warrant may be waived only with the written consent of the Company and the Warrantholder.

19 . Prohibited Actions. The Company agrees that it will not take any action which would entitle the Warrantholder to an adjustment of the Exercise Price if the total number of shares of Common Stock issuable after such action upon exercise of this Warrant, together with all shares of Common Stock then outstanding and all shares of Common Stock then issuable upon the exercise of all outstanding options, warrants, conversion and other rights, would exceed the total number of shares of Common Stock then authorized by its Charter.

20. 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 hereunder shall be delivered as set forth in Item 8 of Schedule A hereto, or pursuant to such other instructions as may be designated in writing by the party to receive such notice.

21. Entire Agreement. This Warrant, the forms attached hereto and Schedule A hereto (the terms of which are incorporated by reference herein) contain the entire agreement between the parties with respect to the subject matter hereof and supersede all prior and contemporaneous arrangements or undertakings with respect thereto.

[Remainder of page intentionally left blank]

[Form of Notice of Exercise]

Date: _____

TO: MetroCorp Bancshares, Inc.

RE: Election to Purchase Common Stock

The undersigned, pursuant to the provisions set forth in the attached Warrant, hereby agrees to subscribe for and purchase the number of shares of the Common Stock set forth below covered by such Warrant. The undersigned, in accordance with Section 3 of the Warrant, hereby agrees to pay the aggregate Exercise Price for such shares of Common Stock via the cashless exercise provision of Section 3 of the Warrant. A new warrant evidencing the remaining shares of Common Stock covered by such Warrant, but not yet subscribed for and purchased, if any, should be issued in the name set forth below.

Number of Shares of Common Stock _____

Aggregate Exercise Price: _____

Holder: _____
By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by a duly authorized officer.

Dated: _____

MetroCorp Bancshares, Inc.

By: _____

Name:
Title:

Attest:

By: _____

Name:
Title:

[Signature Page to Warrant]

Schedule A

Item 1
Name: MetroCorp Bancshares, Inc.
Corporate or other organizational form: Corporation
Jurisdiction of organization: Texas

Item 2
Exercise Price: $8.75

Item 3
Expiration Date: January 16, 2019

Item 4
Quarterly Dividend Threshold: $0.040

Item 5
[reserved]

Item 6
Number of shares of Common Stock underlying the Warrant (the "Warrant Shares"): 771,429

Item 7
Company's address:
9600 Bellaire Boulevard, Suite 252
Houston, Texas 77036

Item 8
Notice information:
MetroCorp Bancshares, Inc.
9600 Bellaire Boulevard, Suite 252
Houston, Texas 77036
Attention: George M. Lee
Facsimile: (713) 414-3748

Bracewell & Giuliani LLP
711 Louisiana Street, Suite 2300
Houston, Texas 77002
Attention: William Luedke
Facsimile: (713) 221-2165

Item 9
Name of Registered Warrantholder: