

UNITED STATES DEPARTMENT OF THE TREASURY  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

**July 19, 2012**

Ladies and Gentlemen:

Reference is made to that certain Letter Agreement dated as of February 6, 2009 by and between the United States Department of the Treasury (the "*Investor*") and Community Holding Company of Florida, Inc. (the "*Acquired Company*"), incorporating the Securities Purchase Agreement -- Standard Terms (the "*Securities Purchase Agreement*"). Further detail regarding the Securities Purchase Agreement is set forth on Schedule A hereto. Investor, the Acquired Company, and Community Bancshares of Mississippi, Inc. (the "*Acquiror Company*") desire to set forth herein certain additional agreements as a result of the consummation of a merger transaction pursuant to an Agreement and Plan of Reorganization dated as of May 3, 2012, as amended by a First Amendment to Agreement and Plan of Reorganization dated as of May 17, 2012, by and between Acquiror Company and Acquired Company, and an Agreement and Plan of Merger dated as of July 13, 2012, by and between Acquiror Company and Acquired Company, effective on the date hereof (the "*Merger Transactions*"). This letter shall be referred to as the "Merger Side Letter." Capitalized terms used but not defined herein shall have the meanings assigned to them in the Securities Purchase Agreement and the Certificate of Designations.

As a result of the Merger Transactions, the Acquiror Company has assumed the obligations and responsibilities of Acquired Company to the Investor. Specifically:

1. Concurrently herewith, the Acquiror Company is paying all accrued and unpaid dividends on the Acquired Company's Preferred Shares and Warrant Preferred Shares and is issuing two new series of preferred shares in exchange for the Acquired Company's Preferred Shares and Warrant Preferred Shares; and
2. Pursuant to Section 4.3 of the Securities Purchase Agreement and effective as of the date hereof, Acquiror Company hereby expressly assumes the due and punctual performance and observance of each and every covenant, agreement, and condition of the Securities Purchase Agreement and all ancillary documents to be performed and observed by Acquired Company.

In connection with the foregoing, with the exception of the Securities Purchase Agreement, Acquiror Company is issuing new documentation to Investor to reflect the investment that Investor initially made in the Acquired Company, including the following (all section references below are to the Securities Purchase Agreement, unless otherwise provided):

1. a copy of the Charter and bylaws of the Acquiror Company;

2. an officer's certificate regarding a bring down of the representations in the Securities Purchase Agreement as of the date hereof, per Section 1.2(d)(ii) of the Securities Purchase Agreement, with any exceptions to such representations noted on a disclosure schedule attached hereto;

3. a certificate representing a number of a new series of preferred shares issued by the Acquiror Company to replace the Acquired Company's Preferred Shares (the "*New Preferred Shares*");

4. a certificate representing a number of a new series of preferred shares issued by the Acquiror Company to replace the Acquired Company's Warrant Preferred Shares (the "*New Warrant Preferred Shares*");

5. evidence the Acquiror Company filed a Certificate of Designations in connection with the New Preferred Shares issued to Investor as outlined in paragraph 3 above, per Section 1.2(d)(iii) of the Securities Purchase Agreement;

6. evidence the Acquiror Company filed a Certificate of Designations in connection with the New Warrant Preferred Shares issued to Investor as outlined in paragraph 4 above, per Section 1.2(d)(iii) of the Securities Purchase Agreement;

7. a legal opinion regarding the New Preferred Shares and the New Warrant Preferred Shares, per Section 1.2(d)(vi) of the Securities Purchase Agreement; and

8. a side letter regarding compliance with the American Recovery and Reinvestment Act of 2009.

Acquiror Company hereby acknowledges receipt of each of the closing documents in connection with the Investor's investment in the Acquired Company.

Investor, by its execution of this Merger Side Letter, hereby consents to the Merger Transactions and any of the transactions contemplated therein to the extent Investor is entitled to vote on such matters pursuant to the laws of the State of Florida. Further, Investor hereby waives any notice required to be provided to Investor pursuant to the laws of the State of Florida regarding any meeting of the shareholders of the Acquired Company called for the purpose of voting on the Merger Transactions and the transactions contemplated therein.

This Merger Side Letter, the Securities Purchase Agreement, and the above-listed documentation constitute the entire agreement, and supersede all other prior agreements, understandings, representations, and warranties, both written and oral, between the parties with respect to the subject matter hereof.

This Merger Side Letter may be executed in counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument. This Merger Side Letter shall be governed by and construed in accordance with the federal law of the United States if and to the extent such law is applicable, and otherwise in accordance with the laws of

the State of New York applicable to contracts made and to be performed entirely within such state.

United States Department of the Treasury  
Signature Page

In witness whereof, this side letter agreement has been duly executed by the authorized representatives of the parties hereto as of the date first above written.

**COMMUNITY BANCSHARES OF  
MISSISSIPPI, INC.**

By: 

Name: Freddie J. Bagley

Title: President

**COMMUNITY HOLDING COMPANY  
OF FLORIDA, INC.**

By: 

Name: Charles W. Nicholson, Jr.

Title: President and CEO

**UNITED STATES DEPARTMENT OF  
THE TREASURY**

By: \_\_\_\_\_

Name:

Title:

United States Department of the Treasury  
Signature Page

In witness whereof, this side letter agreement has been duly executed by the authorized representatives of the parties hereto as of the date first above written.

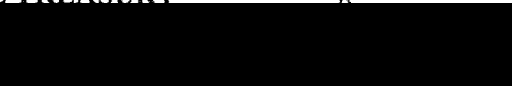
**COMMUNITY BANCSHARES OF  
MISSISSIPPI, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**COMMUNITY HOLDING COMPANY  
OF FLORIDA, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**UNITED STATES DEPARTMENT OF  
THE TREASURY**

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

## SCHEDULE A

### General Information Regarding Acquired Company Initial Closing:

Acquired Company Name: Community Holding Company of Florida, Inc.

Corporate or other organizational form of the Acquired Company: Corporation

Date of Acquired Company Letter Agreement incorporating  
the Securities Purchase Agreement: February 6, 2009

Number and series of preferred stock issued to the  
Investor at the Acquired Company Closing: 1,050

Number and series of warrant preferred stock issued to the  
Investor at the Acquired Company Closing: 5

### Terms of the Merger/Acquisition:

Effective Date of Merger/Acquisition: July 19, 2012

### Resultant Acquiror Securities:

Number of New Preferred Shares Issued to Investor by Acquiror Company  
Post-Merger to Replace the Acquired Company's Preferred Shares: 105

Par Value of Such New Preferred Shares: None

Per Share Liquidation Preference of Such New Preferred Shares: \$10,000.00

Number of New Warrant Preferred Shares Issued to Investor by Acquiror Company  
Post-Merger to Replace the Acquired Company's Warrant Preferred Shares: 5

Par Value of Such New Warrant Preferred Shares: None

Per Share Liquidation Preference of Such New Warrant Preferred Shares: \$10,000.00

## **DISCLOSURE SCHEDULE**

If none, please so indicate by checking the box: ☐

**SCHEDULE B****CAPITALIZATION**

Capitalization Date: **June 30, 2012**

**Class A Common Stock**

Par value:	<b>\$10.00 per share</b>
Total Authorized:	<b>2,500,000 shares</b>
Outstanding:	<b>1,852,744 shares</b>
Subject to warrants, options, convertible securities, etc.:	<b>None</b>
Reserved for benefit plans and other issuances:	<b>None</b>
Remaining authorized but unissued:	<b>647,256 shares</b>
Shares issued after Capitalization Date (other than pursuant to warrants, options, convertible securities, etc. as set forth above):	<b>None</b>

**Class B Nonvoting Common Stock**

Par value:	<b>\$10.00 per share</b>
Total Authorized:	<b>50,000 shares</b>
Outstanding:	<b>None</b>
Subject to warrants, options, convertible securities, etc.:	<b>None</b>
Reserved for benefit plans and other issuances:	<b>None</b>
Remaining authorized but unissued:	<b>50,000 shares</b>
Shares issued after Capitalization Date (other than pursuant to warrants, options, convertible securities, etc. as set forth above):	<b>None</b>

**Bank Series Tracking Stock**

Par value:	<b>\$10.00 per share</b>
Total Authorized:	<b>1,000,000 shares</b>
Outstanding:	<b>None</b>
Subject to warrants, options, convertible securities, etc.:	<b>None</b>
Reserved for benefit plans and other issuances:	<b>None</b>



Remaining authorized but unissued: **1,000,000 shares**

Shares issued after Capitalization Date (other  
than pursuant to warrants, options,  
convertible securities, etc. as set forth  
above): **None**

Preferred Stock

Par value: **Class A - \$5,000; Class B - none**

Total Authorized: **56,000 shares**

Outstanding (by series): **Class A - none; Class B - 54,600**

Reserved for issuance: **110 shares of Series B for issuance to  
Investor under the Merger Side  
Letter**

Remaining authorized but unissued: **1,290 shares**

Holder of 5% or more of any class of capital stock Primary Address

**SCHEDULE C**

**LITIGATION**

List any exceptions to the representation and warranty in Section 2.2(1) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box: ☒.

**SCHEDULE D**

**COMPLIANCE WITH LAWS**

List any exceptions to the representation and warranty in the second sentence of Section 2.2(m) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box: ☒.

List any exceptions to the representation and warranty in the last sentence of Section 2.2(m) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box: ☒.

**SCHEDULE E**

**REGULATORY AGREEMENTS**

List any exceptions to the representation and warranty in Section 2.2(s) of the Securities Purchase Agreement – Standard Terms.

If none, please so indicate by checking the box: ☒.