

#1028

Application For Certificate of Approval to Purchase or Acquire  
A Controlling Interest in a State Bank or Trust Company  
Pursuant to Section 658.28, Florida Statutes

Direct acquisition of bank or trust company stock -- NOT APPLICABLE

Name of Bank or Trust Company: 228 1138216 2009-06-08  
000012 \$7,500.00

Location: (City) (County)

Indirect acquisition of bank or trust company stock by a proposed bank holding company:

Name of Holding Company: CBM Florida Holding Company (In organization)

Location: 251 Woody Row Road, Milan, Dutchess County, New York 12571  
(Street Address) (City) (County) (State) (Zip Code)

<u>Bank or Trust Company</u>	<u>Location (City, County)</u>
(1) Community Bank of Manatee	Bradenton, Manatee County, Florida
(2) _____	_____
(3) _____	_____
(4) _____	_____
(5) _____	_____

Attach additional page, as necessary

CORRESPONDENT

Additional details concerning this application may be obtained from:

Bowman Brown, Esq.	Attorney
(Name)	(Title)

Shutts & Bowen LLP, 1500 Miami Center, 201 South Biscayne Boulevard, Miami, FL 33131  
(Mailing Address)

Telephone: 305-379-9107 E-Mail: [bbrown@shutts.com](mailto:bbrown@shutts.com)

RECEIVED  
DEPT OF FINANCIAL SERVICES  
STATE OF FLORIDA  
CASHIER'S OFFICE  
09 JUN - 8 AM 10:56

Application fee of **\$7,500.00** \* payable to the Office of Financial Regulation is attached for deposit to Financial Institutions Regulatory Trust Fund.  
Account No. 44202110000 00 001098  
\* \$7,500.00 for 1; (plus an additional \$3,500 for each additional institution being acquired)

## GENERAL INFORMATION AND INSTRUCTIONS

(1) An original and one copy of all portions of the application, with the appropriate filing fee, should be submitted to the Office of Financial Regulation. The following supplemental forms are required, as applicable, for each copy of the application.

- (a) The biographical portion of the Interagency Biographical and Financial Report for each proposed purchaser and for each person not a purchaser, who will be a new executive officer or director of the bank or trust company. If Purchaser is a corporation, submit a Biographical Report for each major (10% or more) stockholder.
- (b) The financial portion of the Interagency Biographical and Financial Report for each purchaser dated no earlier than one (1) year of the date of the application. If Purchaser is a corporation, a published financial statement dated no earlier than six months of the date of the application, and a Personal Financial Report for each major (10% or more) stockholder of the corporation.
- (c) If the proposed purchaser is a Registered Bank Holding Company, attach Annual Reports for the last three (3) years.
- (d) If purchaser is a corporation, submit a copy of a resolution(s) passed by the corporation's Board of Directors authorizing the filing of the application with the Department. The corporation's Secretary should certify that the resolution(s) is/are presently in full force and effect and has/have not been revoked or rescinded.

(2) The filing fee of \$7,500.00 for each bank or trust company being acquired plus an additional \$3,500.00 for each additional institution being acquired not to exceed \$15,000 must be submitted with the application by check made payable to the Office of Financial Regulation.

(3) For informational purposes, one copy of the application should be submitted to the Federal Deposit Insurance Corporation, Atlanta, Georgia, as applicable, concurrent with submission to the Office of Financial Regulation.

(4) Prior to preparing and submitting an application, the applicants are requested to read carefully Section 658.28 and 655.057, Florida Statutes.

(5) Information deemed to be confidential pursuant to Section 655.057, Florida Statutes, is requested in a separate confidential section. All other information submitted will be a part of the public section of the file.

(6) Warning - persons could unlawfully exercise a controlling influence over the management and policies of a Florida-chartered bank or trust company, or control the election of a majority of the board of directors, even though owning or controlling less than 25 percent of the voting stock of the bank or trust company. While this acquisition of control application form was designed for 25 percent or more stock ownership, persons contemplating other transactions related to Florida-chartered banks or trust companies that might result in a change of control pursuant to Section 658.27 - 658.29, Florida Statutes, are advised to first request in writing instructions from the Office of Financial Regulation. Violators of Sections 658.27 - 658.29, Florida Statutes, are subject to enforcement actions including injunctions which may prohibit them from voting or giving proxies to vote bank or trust company stock; attending or voting at board of directors meetings or stockholders meetings; acquiring additional stock options, or proxies; directing or attempting to direct the management of the bank or trust company; and exercising control over a Florida-chartered bank or trust company any way.

Applicant(s) hereby apply to the Office of Financial Regulation, pursuant to Section 658.28, Florida Statutes, for a Certificate of Approval to Purchase or Acquire a controlling interest in Community Bank of Manatee.

**CERTIFICATE**

The undersigned affirm that this application has been prepared at their direction, that it is accurate and complete as to all factors according to their best knowledge and belief, and each subscriber hereto has agreed to purchase stock of said bank in good faith in his own right and not as agent or attorney for any undisclosed person.

**(Individuals)**

Sign \_\_\_\_\_

Type \_\_\_\_\_

Sign \_\_\_\_\_

Type \_\_\_\_\_

**(Corporations)**

Name CBM Florida Holding Company

Sign \_\_\_\_\_

By Marcelo Lima

Title Chairman

Sign \_\_\_\_\_

By Trevor R. Burgess

Title Vice Chairman

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

Before me, the undersigned Notary Public, in and for the State of \_\_\_\_\_ at Large, personally appeared \_\_\_\_\_, and \_\_\_\_\_, both to me well known, and known by me to be the individuals described in and who executed the foregoing application and, each being duly sworn, severally acknowledged that he executed the same for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
Notary Public - State of \_\_\_\_\_ At Large. My Commission Expires: \_\_\_\_\_, 20\_\_\_\_.

**CERTIFICATE**

The undersigned affirm that this application has been prepared at their direction, that it is accurate and complete as to all factors according to their best knowledge and belief, and each subscriber hereto has agreed to purchase stock of said bank in good faith in his own right and not as agent or attorney for any undisclosed person.

(Individuals)

(Corporations)

Sign \_\_\_\_\_

Name CBM Florida Holding Company

Sign [Signature]

Type \_\_\_\_\_

By Marcelo Lima

Sign \_\_\_\_\_

Title Chairman

Sign [Signature]

Type \_\_\_\_\_

By Trevor R. Burgess

Title Vice Chairman

STATE OF Florida  
COUNTY OF Manatee

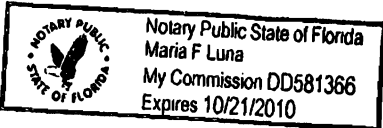
Before me, the undersigned Notary Public, in and for the State of Florida at Large, personally appeared Marcelo Lima and Trevor Burgess

all to me well known, and known to me to be the individuals described in and who executed the foregoing application and, each being duly sworn severally acknowledged that he executed the same for the uses and purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal this 4th day of June, 2009

[Signature]

Notary Public - State of Florida At Large. My Commission Expires: October, 21, 2010.



I. STATUS OF CAPITAL ACCOUNT (Bank or Trust Company)

(A) Present Capital Structure: (date) March 31, 2009

	<u>#Shares</u>	<u>Par Value</u>	<u>Int. Rate</u>	<u>Due Date</u>	<u>Amount (\$000)</u>
Common Stock	2,094,762	\$2.00			\$4,194
Preferred Stock	104,930	\$11.00			
	201,474	\$12.50			
	106,259	\$13.50			\$5,107
Surplus					\$7,135
Undivided Profits and Reserve for Contingencies and Other Capital Reserves					\$1,633
<b>TOTAL Equity Capital</b>					<b>\$18,069</b>
Capital Notes					<u>NONE</u>
<b>GRAND TOTAL</b>					<b>\$18,069</b>

(B) Proposed Increase to Capital:

Common Stock	<u>2,609,769</u>	\$2.00			<u>\$ 5,220</u>
Preferred Stock	<u>NONE</u>				
Surplus					<u>\$ 4,780</u>
Capital Notes	<u>NONE</u>				
<b>TOTAL</b>					<b><u>\$10,000</u></b>

Comment as to new capital proposals:

We intend to increase the bank's capital as necessary to meet or exceed the "Well Capitalized" regulatory requirements. A condensed balance sheet for the bank, including actual amounts as of March 31, 2009, including a pro forma balance sheet showing the effects of the proposed transaction with accounting adjustments, together with comparative capital ratios and calculations, are attached as Exhibit 1.

(C) Market for Stock:

	<u>Date</u>	<u># Shares</u>	<u>\$ Per Share</u>
1. Bank or Trust Company Stock			
Five (5) most recent sales transactions:	10/27/08	694	\$6.50
	08/19/08	5,280	\$6.37
	08/19/08	5,280	\$6.37
	08/19/08	2,540	\$4.75
	08/19/08	5,280	\$6.37
2. Corporate Stock to be Exchanged for Bank or Trust Company Stock:	<u>NONE. CASH TRANSACTION.</u>		

Five (5) most recent sales or quarterly quotations for past year: (Please refer to table on preceding page.)

<u>Where Traded</u>	<u>Bid</u>	<u>Ask</u>	<u>Date</u>	<u># Shares</u>	<u>\$ Per Share</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

II. STATUS OF TRANSACTION:

(A) List of Purchasers:

Name and Address

CBM Florida Holding Company  
251 Woody Row Road  
Milan, NY 12571

Total Shares to be acquired: 2,609,769

Percent of total share outstanding: 51% of outstanding shares

CBM Florida Holding Company owned by:

Trevor R. Burgess  
251 Woody Row Road  
Milan, NY 12571

Marcelo Lima  
Av. Das Nações Unidas, 12.551 15º, CJ 1507  
04578-000 São Paulo, SP BRAZIL

Marcio Camargo  
Av. Das Nações Unidas, 12.551 15º, CJ 1507  
04578-000 São Paulo, SP BRAZIL

Erwin Russel  
Av. Das Nações Unidas, 12.551 15º, CJ 1507  
04578-000 São Paulo, SP BRAZIL

- (B) Identify any person employed, retained or to be compensated by the acquiring party or by any person on his behalf, to make solicitations or recommendations to stockholders for the purpose of assisting in the acquisition and provide a brief description of the terms of such employment, retainer, or arrangements for compensation.

NONE.

---

---

(C) **Terms and Conditions:**

1. Bank or Trust Company stock to be purchased for cash at \$3.83175 per share.

Total purchase price for the entire proposed transaction: \$ 10,000,000

2. Bank or Trust Company stock to be exchanged for corporate stock on the following basis:

NOT APPLICABLE.

3. Other: \_\_\_\_\_

NOT APPLICABLE.

4. Provide copies of all invitations or tenders or advertisements making a tender offer to stockholders for purchase of their stock to be used in connection with the proposed acquisition.

NOT APPLICABLE. PRIVATELY NEGOTIATED TRANSACTION WITH BANK.

III. **FUTURE MANAGEMENT**

(A) **List Present Directors & Officers**

**List Proposed Directors & Officers\***

<u>Name</u>	<u>Title</u>	<u>Name</u>	<u>Title</u>
William H. Sedgeman, Jr.	CEO & Director	William H. Sedgeman, Jr.	CEO & Director
Michael P. McCoy	President	Michael P. McCoy	President
Marvin R. DeBerry	Chief Lending Officer	Marvin R. DeBerry	Chief Lending Officer
J. Larry Tucker	CFO	J. Larry Tucker	CFO
Denise L. Baker	Director	Denise L. Baker	Director
Charles M. Brown	Director	Charles M. Brown	Director
Brian D. Burghardt	Director	Brian D. Burghardt	Director
Phillip L. Burghardt	Director	Phillip L. Burghardt	Director
Thomas S. Downs	Director	Thomas S. Downs	Director
Thomas A. Howze	Director	Thomas A. Howze	Director
Duane L. Moore	Director	Duane L. Moore	Director
Kenneth L. Schermer	Director	Kenneth L. Schermer	Director
Thomas R. Sprenger	Director	Thomas R. Sprenger	Director
		Trevor R. Burgess	Director
		Marcelo Lima	Director

\*Pending Regulatory Approval

- (B) Described any plans to make changes to the bank or trust company's management or Board of Directors:

MR. LIMA AND MR. BURGESS WOULD JOIN THE BOARD OF DIRECTORS. NO OTHER CHANGES ARE CONTEMPLATED.

- (C) Describe any plans or proposals which any acquiring party making the acquisition may have to liquidate the bank or trust company, to sell its assets or to merge it with any company or to make any other major change in its business or corporate structure or management.

---

NOT APPLICABLE.

- (D) Describe any affect the proposed change in control may have on the public's interest, specifically, any probable effect on the needs and convenience of the community to be served:

This recapitalization will provide the bank with the necessary capital to continue to serve the needs of the community. The Applicant's proposed business plan calls for: growing core local deposits, making cautiously underwritten loans, reinvigorating the brand and managing the existing loan portfolio to minimize losses.

- (E) Indicate briefly the reason(s) for the proposed change in control and future plans/intentions for the bank or trust company:

With a thirteen year history of community banking in Manatee and Hillsborough Counties, Community Bank of Manatee has a strong franchise from which to continue to build a premier bank. With the right level of capital the bank will be poised to take advantage of currently market conditions – in loan growth, branch growth and in deposit customer growth.

A copy of Applicant's confidential business plan for the bank prepared in connection with proposed transaction is provided as Confidential Exhibit A.



**EXHIBIT 1**

**Pro Forma Balance Sheet and Comparative Capital Ratios**

BALANCE SHEET	1Q09A	Capital (1)	Addition to		ALLL adjustment for		Pro-forma 1Q09PF
			ALLL (2)	W-off of loans (3)	w-off (4)		
Total accruing loans	188,821	0	0	(2,256)	0	186,565	
Total nonaccruing loans	14,989	0	0	(4,506)	0	10,483	
Allowance for loan losses	(5,265)	0	(3,510)	0	6,762	(2,013)	
<b>Total net loans</b>	<b>198,545</b>	<b>0</b>	<b>(3,510)</b>	<b>(6,762)</b>	<b>6,762</b>	<b>195,035</b>	
Securities	15,951	9,600	0	0	0	25,551	
Federal funds sold	20,708	0	0	0	0	20,708	
Cash and cash equivalents	2,805	0	0	0	0	2,805	
Premises and fixed assets	12,810	0	0	0	0	12,810	
Other assets and investments in subsidiary	6,941	0	1,351	0	0	8,292	
<b>Total other assets</b>	<b>59,215</b>	<b>9,600</b>	<b>1,351</b>	<b>0</b>	<b>0</b>	<b>70,166</b>	
<b>Total assets</b>	<b>257,760</b>	<b>9,600</b>	<b>(2,158)</b>	<b>(6,762)</b>	<b>6,762</b>	<b>265,202</b>	
MMDA	32,315	0	0	0	0	32,315	
Savings deposit	10,387	0	0	0	0	10,387	
CD < 100M	90,410	0	0	0	0	90,410	
CD > 100M	54,955	0	0	0	0	54,955	
NOW accounts	10,172	0	0	0	0	10,172	
DDA	17,843	0	0	0	0	17,843	
<b>Total deposits</b>	<b>216,082</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>216,082</b>	
Other borrowed money	18,800	0	0	0	0	18,800	
Other funds and liabilities	4,808	0	0	0	0	4,808	
<b>Total other funds and liabilities</b>	<b>23,608</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23,608</b>	
<b>Total liabilities</b>	<b>239,690</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>239,690</b>	
Minority interest	0	0	0	0	0	0	
Common shares	4,194	9,600	0	0	0	13,794	
Reserves and other equity accounts	12,216	0	0	0	0	12,216	
Retained earnings	1,660	0	(2,158)	(6,762)	6,762	(488)	
<b>Total shareholder's equity</b>	<b>18,070</b>	<b>9,600</b>	<b>(2,158)</b>	<b>(6,762)</b>	<b>6,762</b>	<b>25,512</b>	
<b>Total liabilities and shareholder's equity</b>	<b>257,760</b>	<b>9,600</b>	<b>(2,158)</b>	<b>(6,762)</b>	<b>6,762</b>	<b>265,202</b>	
Check	0	0	0	0	0	0	

CAPITAL RATIOS CALCULATION	1Q09A	1Q09PF
<u>Capital calculation</u>		
A: Shareholders' equity	18,070	25,512
B: Unrealized gain/(loss) on securities	0	0
C: Disallowed deferred tax assets	0	1,351
D: Disallowed servicing assets	34	34
<b>Tier 1 capital (A - B - C - D)</b>	<b>18,036</b>	<b>24,126</b>
E: ALLL includible in Tier 2	2,826	2,013
F: Qualifying subordinated debt	3,075	3,075
Tier 2 capital (E+F)	5,901	5,088
<b>Total risk-based capital (Tier 1 + Tier 2)</b>	<b>23,937</b>	<b>29,214</b>
<b>Average total assets</b>	<b>264,208</b>	<b>268,686</b>
<b>Total risk weighted assets</b>	<b>223,610</b>	<b>226,808</b>

CAPITAL RATIOS	1Q09A	1Q09PF
<b>Leverage Ratio</b>	<b>6.8%</b>	<b>9.0%</b>
<b>Tier 1 ratio</b>	<b>8.1%</b>	<b>10.6%</b>
<b>Total risk-based capital ratio</b>	<b>10.7%</b>	<b>12.9%</b>