BEFORE THE GEORGIA SECRETARY OF STATE AND THE GEORGIA COMMISSIONER OF SECURITIES	)))))))	**IN RE: APPLICATION OF CCF HOLDING COMPANY PURSUANT TO SECTION 10-5-11(9) OF THE GEORGIA UNIFORM SECURITIES ACT OF 2008**

Findings of Fact and Order of Approval

The Georgia Secretary of State as Commissioner of Securities held a hearing on the above-referenced application (the "***Application***") on May 28, 2018 to determine whether the terms and conditions of the securities transaction described in the application are fair pursuant to O.C.G.A. § 10-5-11(9). After reviewing the application and considering the evidence and testimony offered at the hearing, the Commissioner finds and orders as follows:

1. CCF Holding Company, a Georgia corporation and a bank holding company registered with the Board of Governors of the Federal Reserve System, headquartered in Jonesboro, Georgia ("***CCF***"), filed the Application on March 29, 2019, pursuant to Section 10-5-11(9) of the Act. The Application is for approval of the issuance of shares of CCF's common stock, $0.10 par value per share (the "***CCF Common Stock***"), in exchange for (i) outstanding shares of common stock, no par value per share, of Heritage Bancorporation, Inc., a Georgia corporation and a bank holding company registered with the Board of Governors of the Federal Reserve System, headquartered in Hinesville, Georgia ("***HBI***"), and (ii) outstanding shares of common stock, $1.00 par value per share, of Providence Bank, a Georgia state-chartered bank, headquartered in Alpharetta, Georgia ("***Providence Bank***" and, together with HBI the "***Merger Partners***"). Such issuance will occur in connection with (i) the proposed merger of HBI with and into CCF and (ii) the proposed merger of CCF Interim Corporation, a Georgia corporation and wholly-owned subsidiary of CCF (the "***CCF Merger Sub***"), with and into Providence Bank (collectively, the "***Transaction***"). The Transaction will be effected pursuant to a Business Combination Agreement and Agreement and Plan of Mergers, dated December 20, 2018, by and among CCF, HBI and Providence Bank (the "***Business Combination Agreement***").

2. At the effective time of the Transaction: (i) HBI will merge with and into CCF, the separate existence of HBI will cease, and the corporate existence of CCF will continue; and (ii) the CCF Merger Sub will merge with and into Providence Bank, the separate corporate existence of the CCF Merger Sub will cease, and Providence Bank will continue as a wholly-owned subsidiary of CCF. Each outstanding share of each Merger Partner's common stock will be converted into the right to receive shares of CCF Common Stock in the following amounts: (i) 0.9504 shares of CCF Common Stock for each share of HBI common stock; and (ii) 0.1225 shares of CCF Common Stock for each share of Providence Bank common stock (in each case with cash to be paid in lieu of fractional shares). These ratios were determined after a due diligence review of each company by the investment

bank Sandler O'Neill and then submitted to each company for review by their respective boards of directors.

3. CCF, HBI, and Providence Bank share a common shareholder. Mr. Kenneth Lehman is the largest shareholder in each company, owning 56.51% of CCF, 45.47% of HBI, and 49.16% of Providence Bank. Due to this large, overlapping ownership stake by a single shareholder, the Commissioner has given extra scrutiny to the procedures followed in this Transaction to ensure that Mr. Lehman did not exert undue influence and that the Transaction is fair for *all* shareholders.

4. It is the Commissioner's determination that each entity took appropriate corporate governance steps to ensure that Mr. Lehman did not use his ownership position to unduly influence the merger terms or process. Mr. Lehman serves on the Board of Directors of both CCF and HBI. Both CCF and HBI formed a special committee of independent directors on their respective board to evaluate and consider the Transaction. Neither special committee included Mr. Lehman. Mr. Lehman does not serve on the board of Providence, but Providence also formed a special committee of outside directors to evaluate and consider the transaction. Each bank also engaged its own, separate financial advisor to advise their boards as to whether the exchange ratio determined by Sandler O'Neill and the Transaction as a whole, was fair for their shareholders. Each special committee recommended to their full boards that they approve the Transaction. Prior to voting to approve the Transaction, each board also engaged their own, independent financial advisors to assist them in determining the fairness of the combination. CCF engaged FIG Partners, LLC; HBI engaged The Burke Group, LLC; and Providence engaged Hovde Group, LLC. Each financial advisor determined that the terms of the Transaction were fair from the perspective of their respective client. Following that determination, the full boards of directors of each bank considered and voted to approve the Transaction. In order to be effectuated, the Transaction must now be approved by: (i) holders of a majority of the outstanding shares of CCF common stock; (ii) holders of a majority of the outstanding shares of HBI common stock; and (iii) holders of a majority of the outstanding shares of Providence Bank common stock.

5. The Commissioner has authority to consider CCF's application. The Transaction constitutes "[a] transaction in a security . . . in exchange for one or more bona fide outstanding securities, claims, or property interests or partly in such exchange and partly for cash . . ." and falls within the meaning of Section 10-5-11(9) of the Georgia Uniform Securities Act (the "***Act***").

6. Section 10-5-11(9) was adopted from and contains the same language as Section 202(9) of the Uniform Securities Act of 2002. Official Comment 10 to the Uniform Securities Act of 2002 provides in pertinent part as follows "Section 202(9) provides a state counterpart to the exemption in Section 3(a)(10) of the Securities Act of 1933."

7. CCF has advised the Commissioner that CCF's issuance of shares of CCF Common Stock to the holders of HBI and Providence Bank common stock (collectively, "***Seller Stock***") as described above is a transaction which involves the issuance and exchange of securities, which, if approved by the Commissioner, is intended to be exempt from the registration

requirements of the federal securities laws under Section 3(a)(10) of the Securities Act of 1933, as amended (the "***Securities Act***"). CCF intends to rely upon Section 3(a)(10) of the Securities Act if the Transaction is approved.

8. CCF is a Georgia corporation headquartered in Jonesboro, Georgia. HBI is a Georgia corporation headquartered in Hinesville, Georgia. Providence Bank is a Georgia state-chartered bank headquartered in Alpharetta, Georgia. CCF's offer to exchange its securities for the shares of Seller Stock was made from Georgia and the sale, issuance, and delivery of the shares of CCF Common Stock in the Transaction will be initiated from Georgia and consummated at a closing to be held in Georgia pursuant to the Business Combination Agreement. In addition, as of March 1, 2019, 799 record and beneficial owners of Seller Stock, constituting 79.19% of the overall number of holders of Seller Stock, are residents of Georgia. The Commissioner has jurisdiction over CCF's issuance and delivery of securities pursuant to Section 10-5-11(9) of the Act and the Rules promulgated thereunder and is authorized to hold a hearing on and to thereafter approve the terms and conditions of CCF's issuance of CCF Common Stock in exchange for Seller Stock and the fairness of such terms and conditions.

9. The shareholders of HBI and Providence Bank are required to approve the Transaction under Georgia law.

10. In connection with seeking this approval, on or before May 13, 2019, the Merger Partners sent to each of the Merger Partners' shareholders, by United States mail, postage prepaid, a Shareholders' Notice of Hearing regarding the Application, which Notice of Hearing included information about the Transaction, the Business Combination Agreement and the parties, and informed the Merger Partners' shareholders that the Application and supporting documentation annexed thereto was available for inspection at the office of the Commissioner and the principal offices of CCF and each Merger Partner (the "***Shareholders' Notice of Hearing***").

11. As described in the Shareholders' Notice of Hearing, the hearing requested by the Application was held before the Commissioner on May 28, 2019 at 2:00 p.m, pursuant to Section 10-5-11(9) of the Act, at least ten business days after the Application was filed with the Commissioner. All persons to whom CCF proposes to issue shares of CCF Common Stock in connection with the consummation of the Transaction had the right to appear and be heard at the hearing. No one was prevented from appearing by action of CCF, any of the Merger Partners, or the Commissioner. Evidence and testimony relating to the proposed exchange was presented to the Commissioner.

12. As provided by the Business Combination Agreement, the exchange of securities pursuant to the Business Combination Agreement will be accomplished as soon as reasonably practicable after the effective time of the Transaction.

13. In the course of negotiations, CCF and each Merger Partner were represented by counsel experienced in commercial transactions similar to the Transaction, and by financial advisors with experience in such transactions. The special committees of CCF and each Merger Partner recommended, and the respective boards of directors each approved, the

terms and conditions of the Business Combination Agreement and of the Transaction). The parties testified that the terms and conditions of the Business Combination Agreement and of the Transaction are the result of arm's length negotiations under circumstances in which the boards of directors of each party to the Business Combination Agreement were positioned to act in the best interest of their respective corporation and shareholders, and no evidence was presented to the contrary.

14. At the hearing, Leonard Moreland, President and CEO of CCF, testified that the Transaction will benefit CCF in that it is expected to expand CCF's footprint in Georgia and Florida through the addition of HBI's branches in southern Georgia and northeastern Florida and Providence Bank's branch in Alpharetta, Georgia. Brian Smith, President and CEO of HBI, and Bradley Serff, President and CEO of Providence Bank, testified that the Transaction will benefit the shareholders of capital stock of the Merger Partners in that they will acquire an interest in a larger corporation with greater financial resources and a stronger market position. Mr. Moreland, Mr. Smith, and Mr. Serff testified that the Transaction will benefit the shareholders based on the belief that the resulting organization of the Transaction will experience greater efficiencies due to economies of scale and the combined regulatory compliance expense. Mr. Moreland, Mr. Smith, and Mr. Serff additionally testified that the Transaction will benefit the shareholders due to the potentially increased secondary market trading of the post-Transaction common stock and the increased liquidity that this potentially provides to shareholders.

15. Shareholders holding (i) a majority of the issued and outstanding shares of CCF common stock (ii) a majority of the issued and outstanding shares of HBI common stock, and (iii) a majority of the issued and outstanding shares of Providence Bank common stock are required to approve the terms and conditions of the Business Combination Agreement. Shareholders of each Merger Partner that oppose the Transaction may exercise appraisal rights pursuant to Georgia law and seek to obtain payment of the fair value of their shares. Shareholders of CCF that oppose the Transaction may exercise appraisal rights pursuant to the Business Combination Agreement.

16. Each of the Merger Partners' shareholders and CCF's shareholders will receive proxy materials in connection with their respective meetings to be held for considering approval of the Business Combination Agreement. These materials will include:

- Notice of the Meeting of Shareholders, including the matters to be decided, and the date, time, and place of the meeting;

- A recommendation of the board of directors of each Merger Partner or CCF, as applicable, that the shareholders vote "FOR" approval of the Transaction and Business Combination Agreement;

- A description of the terms and conditions of the Transaction and a copy of the Business Combination Agreement;

- A description and a copy of the fairness opinion issued by (i) in the case of CCF, FIG Partners, (ii) in the case of HBI, The Burke Group, LLC, and (ii) in the case of Providence Bank, Hovde Group, LLC, with respect to whether, in their respective opinions, in the case of HBI and Providence Bank, the consideration to be provided to shareholders of each respective Merger Partner is fair from a financial point of view to such respective shareholders, and, in the case of CCF, the Merger Consideration is fair, from a financial point of view, to CCF and its shareholders; and

- A proxy providing the shareholders with the opportunity to vote "FOR" or "AGAINST" approval of the Transaction and the Business Combination Agreement.

17. The terms and conditions of the Transaction and the Business Combination Agreement and the delivery of shares of CCF Common Stock to the holders of Seller Stock as contemplated by the Business Combination Agreement, are determined to be both procedurally and substantively fair and reasonable within the purview of the Act to CCF, the Merger Partners, and the holders of Seller Stock.

NOW, THEREFORE, IT IS HEREBY ORDERED that the terms and conditions of the Business Combination Agreement as described in the Application and the hearing are determined to be both procedurally and substantively fair and reasonable within the purview of the Act, and the Business Combination Agreement is hereby approved by the Commissioner in accordance with and pursuant to the authority conferred on him by Section 10-5-11(9) of the Georgia Uniform Securities Act of 2008 and the regulations promulgated thereunder.

This 5th day of June, 2019.

BRAD RAFFENSPERGER
COMMISSIONER OF SECURITIES
STATE OF GEORGIA

By: [signature]
C. Ryan Germany
Assistant Commissioner of Securities