



VIA ELECTRONIC AND REGULAR MAIL

March 6, 2009

Mr. Neil M. Barofsky  
Special Inspector General  
Troubled Asset Relief Program  
Suite 1064  
1500 Pennsylvania Avenue, N.W.  
Washington, DC 20220

Re: Response to February 6, 2009 Request

Dear Mr. Barofsky:

This letter is in response to your request that I provide you certain information relating to receipt by Central Federal Corporation (the "**Company**") of funds received by it under the Troubled Asset Relief Program ("**TARP**"). The Company's TARP transaction closed and was funded in the amount of \$7,225,000 on December 5, 2008.

1. In response to your first numbered paragraph:

(a)

b(8)

b(4)

Mr. Neil M. Barofsky

March 6, 2009

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b(4)

- (b) The funds have consistently been segregated from funds of the Company. Until January 21, 2009 they were on deposit in CFBank in a segregated account.
- (c) Please see paragraph (a), above.
- (d) Please see paragraph (a), above.

2. In response to your second numbered paragraph, the Company's Compensation and Management Development Committee (the "**Committee**"), on February 19, 2009, completed its evaluation into whether the compensation structure of the Company for its senior executive officers carries incentives for making risky loans. The Committee determined that the compensation structure of the Company for its senior executive officers does not incentivize senior executive officers to make risky loans. No limitations on executive compensation need to be implemented at this time. This response is subject to further review of applicable sections of The American Recovery and Reinvestment Act of 2009.

This response is supplemented by the attached exhibits, for your reference:

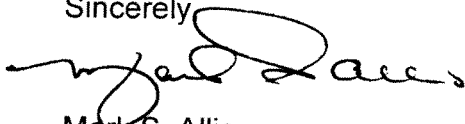
- A. The Company's press release dated November 24, 2008 announcing the Company's preliminary approval for receipt of TARP funds;
- B. The Company's press release dated December 5, 2008 announcing the Company's receipt of TARP funds;
- C. Documents supporting the establishment of the account holding the Company's TARP funds;
- D. My letter dated February 5, 2009 to United States Senator George Voinovich in response to his invitation to discuss TARP; and

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E. My certification certifying the accuracy of all statements, representations and supporting information provided in or with this letter.

I trust this satisfies your request. If you have any questions or wish to discuss any of my comments, please feel free to contact me at [REDACTED]

Sincerely



Mark S. Allio  
Chairman, President, and Chief Executive Officer

Exhibits  
ccw/o: TABarnes, OTS

b(6)

EXHIBIT A



**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

**Date:** November 24, 2008  
**Company:** Central Federal Corporation  
2923 Smith Road  
Fairlawn, Ohio 44333  
**Contact:** Mark S. Allio  
Chairman, President and CEO  
**Phone:** 330.576.1334 **Fax:** 330.666.7959

**CENTRAL FEDERAL CORPORATION RECEIVES PRELIMINARY APPROVAL  
FOR PARTICIPATION IN THE U.S. TREASURY'S  
CAPITAL PURCHASE PROGRAM**

**Highlights**

- **Provides \$7.2 million in additional capital, boosting our already strong capital position**
- **Enhances lending and strategic capabilities, allowing us to increase economic support to businesses and consumers**

Fairlawn, Ohio – November 24, 2008 – Central Federal Corporation (NASDAQ: CFBK) announced today that the United States Treasury Department has preliminarily approved its application to participate in the Capital Purchase Program, subject to program terms and conditions. Under the program, the Treasury will invest \$7,225,000 in Central Federal Corporation through the purchase of newly issued preferred stock from the Company. The preferred stock will pay cumulative dividends of 5% for the first 5 years, and 9% thereafter. The Treasury will also receive warrants, with a term of 10 years, to purchase shares of Central Federal Corporation common stock with an aggregate market value of 15% of the preferred stock investment.

"We are proud to receive this preliminary approval and to be included among the group of large, strong financial institutions that have already received approval to participate in this program. It confirms the strength and viability of our Company," commented Mark S. Allio, Chairman, President and Chief Executive Officer.

"The Treasury's investment will enhance our already strong capital position. Tier 1 and Total Capital ratios will increase from their September 30, 2008 levels, resulting in a Tier 1 Capital ratio of approximately 13.3% and a Total Capital ratio of approximately 14.4%. These ratios are well in excess of the 6% and 10% 'well-capitalized' regulatory requirements, respectively."

"CFBank is a profitable, well-capitalized, diversified provider of financial and advisory services focused on businesses and individuals," Allio continued. "With the capital provided by this investment, we intend to continue to fill the demand for the much-needed financing needs of businesses and consumers in our existing market areas and to explore opportunities to expand our services into other communities."

"During these turbulent times, depository customers continue to be attracted to our safe, sound and secure banking approach. Our deposit balances have increased 12.4% from December 31, 2007 through October 31, 2008. We have continued to lend during this difficult economic time, originating during that period more than \$30 million in loans to businesses in the communities we serve. We remain committed to our mission of providing liquidity and attractive funding to small businesses and serving the credit needs of our consumer community."

### **About Central Federal Corporation and CFBank**

Central Federal Corporation is the holding company for CFBank, a federally chartered savings association formed in Ohio in 1892. CFBank has four full-service banking offices in Fairlawn, Calcutta, Wellsville and Worthington, Ohio. Additional information about CFBank's banking services and the Company is available at [www.CFBankOnline.com](http://www.CFBankOnline.com).

### **Forward-Looking Information**

Certain statements contained in this earnings release which are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "believes," "anticipates," "expects," "intends," "targeted" and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying those statements. Forward-looking statements involve risks and uncertainties. Actual results may differ materially from those predicted by the forward-looking statements because of various factors and possible events, including: (i) changes in political, economic or other factors such as inflation rates, recessionary or expansive trends, and taxes; (ii) competitive pressures; (iii) fluctuations in interest rates; (iv) the level of defaults and prepayments on loans made by CFBank; (v) unanticipated litigation, claims or assessments; (vi) fluctuations in the cost of obtaining funds to make loans; and (vii) regulatory changes. Further information on these risk factors is included in the Company's filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date on which they are made and the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made to reflect unanticipated events.

## EXHIBIT B



### PRESS RELEASE

#### *FOR IMMEDIATE RELEASE*

**Date:** December 5, 2008  
**Company:** Central Federal Corporation  
2923 Smith Road  
Fairlawn, Ohio 44333  
**Contact:** Mark S. Allio  
Chairman, President and CEO  
**Phone:** 330.576.1334 **Fax:** 330.666.7959

### **CENTRAL FEDERAL CORPORATION CLOSSES \$7.2 MILLION PREFERRED STOCK SALE TO U.S. TREASURY DEPARTMENT**

Fairlawn, Ohio – December 5, 2008 – Central Federal Corporation (NASDAQ: CFBK) announced today that it completed the sale of \$7.2 million of preferred stock to the U.S. Treasury Department under the Capital Purchase Program.

Mark S. Allio, Chairman, President and CEO of Central Federal Corporation commented, "The new capital will strengthen our already solid capital base and provide us with increased flexibility to continue to serve our clients and communities."

In conjunction with the issuance of its senior preferred shares, the Company issued the U.S. Treasury a warrant to purchase 336,568 shares of Company common stock at \$3.22 per share, which would represent an aggregate investment, if exercised, of \$1.1 million in Company common stock.

#### **About Central Federal Corporation and CFBank**

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#### Forward-Looking Information

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uncertainties. Actual results may differ materially from those predicted by the forward-looking statements because of various factors and possible events, including: (i) changes in political, economic or other factors such as inflation rates, recessionary or expansive trends, and taxes; (ii) competitive pressures; (iii) fluctuations in interest rates; (iv) the level of defaults and prepayments on loans made by CFBank; (v) unanticipated litigation, claims or assessments; (vi) fluctuations in the cost of obtaining funds to make loans; and (vii) regulatory changes. Further information on these risk factors is included in the Company's filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date on which they are made and the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made to reflect unanticipated events.



EXHIBIT C

www.ncb.coop

139 SOUTH HIGH STREET • HILLSBORO, OHIO 45133  
(937) 393-4246 (800) 322-1251



b(4)

CENTRAL FEDERAL CORPORATION  
ATTN [REDACTED] b(6)  
2923 SMITH RD  
FAIRLAWN, OH 44333

PAGE 1 of 1  
STATEMENT PERIOD  
FROM 01/21/09  
THRU 01/31/09  
ENCLOSURES 0

----- CORPORATE & PARTNERSHIP CHECKING -----

ACCOUNT NBR DD	[REDACTED] b(4)	BEGINNING BALANCE	\$ .00
AVG BALANCE	\$656,818.15	DEPOSITS/CREDITS	\$7,225,000.00
AVG COLL BAL	\$656,818.15	INTEREST PAID	\$ .00
MINIMUM BAL	\$ .00	CHECKS/DEBITS	\$7,225,000.00-
		SERVICE CHARGES	\$ .00
		ENDING BALANCE	\$ .00
		# DEPOSITS/CREDITS	2
		# CHECKS/DEBITS	1

DATE	DESCRIPTION	AMOUNT	BALANCE
01/21	BEGINNING BALANCE		\$ .00
01/21	CREDIT-WIRE TRANSFER	5,000,000.00	5,000,000.00
01/21	WIRE IN NO FEE	2,225,000.00	7,225,000.00
	TRACE# 0		
01/22	DEBIT-SPECIAL	7,225,000.00-	.00
	CDARS INVESTMENT		
	TRACE# 0		
01/31	ENDING BALANCE		\$ .00



RELAX, YOUR MONEY IS SAFE AND SECURE WITH NCB. CDS  
INSURED UP TO \$50 MILLION IN OUR CDARS PROGRAM.  
ONE BANK RELATIONSHIP. ONE STATEMENT. FULL FDIC INSURANCE.  
FOR MORE DETAILS, VISIT US ONLINE AT WWW.NCB.COOP.

EQUAL HOUSING LENDER

MEMBER FDIC



NCB, FSB  
2011 CRYSTAL DR  
STE 800  
ARLINGTON, VA 22202

OWNERSHIP OF ACCOUNT - PERSONAL PURPOSE

INDIVIDUAL  \_\_\_\_\_

JOINT - WITH SURVIVORSHIP (and not as tenants in common)

JOINT - NO SURVIVORSHIP (as tenants in common)

TRUST - SEPARATE AGREEMENT:

REVOCABLE TRUST OR  PAY-ON-DEATH  
DESIGNATION AS DEFINED IN THIS AGREEMENT  
Name and Address of Beneficiaries:

OWNERSHIP OF ACCOUNT - BUSINESS PURPOSE

SOLE PROPRIETORSHIP

CORPORATION:  FOR PROFIT  NOT FOR PROFIT

PARTNERSHIP

\_\_\_\_\_

BUSINESS:  
COUNTY & STATE \_\_\_\_\_  
OF ORGANIZATION: \_\_\_\_\_  
AUTHORIZATION DATED: \_\_\_\_\_

DATE OPENED 01/21/2009 BY [REDACTED] b(6)

INITIAL DEPOSIT \$ 0.00

CASH  CHECK  Other

HOME TELEPHONE # \_\_\_\_\_

BUSINESS PHONE # (330) 576-1203

DRIVER'S LICENSE # \_\_\_\_\_

E-MAIL \_\_\_\_\_

EMPLOYER \_\_\_\_\_

MOTHER'S MAIDEN NAME \_\_\_\_\_

Name and address of someone who will always know your location: \_\_\_\_\_

BACKUP WITHHOLDING CERTIFICATIONS

TIN: 34-1877137

TAXPAYER I.D. NUMBER - The Taxpayer Identification Number shown above (TIN) is my correct taxpayer identification number.

BACKUP WITHHOLDING - I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

EXEMPT RECIPIENTS - I am an exempt recipient under the Internal Revenue Service Regulations.

SIGNATURE: I certify under penalties of perjury the statements checked in this section and that I am a U.S. person (including a U.S. resident alien).

[Signature]  
CENTRAL FEDERAL CORPORATION (Date)

ACCOUNT NUMBER [REDACTED] b(4)

ACCOUNT OWNER(S) NAME & ADDRESS

CENTRAL FEDERAL CORPORATION

ATTN [REDACTED] b(6)

2923 [REDACTED] RD

FAIRLAWN, OH 44333

TYPE OF ACCOUNT

NEW  EXISTING

CHECKING  SAVINGS

MONEY MARKET  CERTIFICATE OF DEPOSIT

NOW  \_\_\_\_\_

This is your (check one): CORPORATE & PARTNERSHIP C

Permanent  Temporary account agreement.

Number of signatures required for withdrawal 1

FACSIMILE SIGNATURE(S) ALLOWED?  YES  NO

X

SIGNATURE(S) - The undersigned agree to the terms stated on every page of this form and acknowledge receipt of a completed copy. The undersigned further authorize the financial institution to verify credit and employment history and/or have a credit reporting agency prepare a credit report on the undersigned, as individuals. The undersigned also acknowledge the receipt of a copy and agree to the terms of the following disclosures:

- Deposit Account
- Funds Availability
- Truth in Savings
- Electronic Fund Transfers
- Privacy
- Substitute Checks
- \_\_\_\_\_

(1):  X [Signature]

I.D. # \_\_\_\_\_ D.O.B. \_\_\_\_\_

(2):  X [Signature]

I.D. # \_\_\_\_\_ D.O.B. \_\_\_\_\_

(3):  X [Signature]

I.D. # \_\_\_\_\_ D.O.B. \_\_\_\_\_

(4):  X

I.D. # \_\_\_\_\_ D.O.B. \_\_\_\_\_

Authorized Signer (Individual Accounts Only)

X

I.D. # \_\_\_\_\_ D.O.B. \_\_\_\_\_

## YOUR DEPOSIT ACCOUNT TERMS AND CONDITIONS

**AGREEMENT** - These terms govern the operation of this account unless varied or supplemented in writing. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so that the singular includes the plural and the plural includes the singular. As used in this form, the words "we," "our," or "us" mean the financial institution and the words "you" or "your" mean the account holder(s). This account may not be transferred or assigned without our written consent.

Much of our relationship with our deposit customers is regulated by state and federal law, especially the law relating to negotiable instruments, the law regulating the methods of transferring property upon death and the rights of surviving spouses and dependents, the law pertaining to estate and other succession taxes, the law regarding electronic funds transfer, and the law regarding the availability of deposited funds. This body of law is too large and complex to be reproduced here.

The purpose of this form is to:

- (1) summarize the rules applicable to the more common transactions;
- (2) establish rules to govern transactions or circumstances which the law does not regulate; and
- (3) establish rules for certain events or transactions which the law already regulates but permits variation by agreement.

We may permit some variations from this standard agreement, but any such variations must be agreed to in writing either on our signature card for the account or in some other written form.

**LIABILITY** - Each of you agrees, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges that may be imposed. You authorize us to deduct these charges as accrued directly from the account balance. You also agree to pay additional reasonable charges we may impose for services you request which are not contemplated by this agreement. Each of you also agrees to be jointly and severally liable for any account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from this account, and the costs we incur to collect the deficit including, to the extent permitted by law, our reasonable attorneys' fees.

**DEPOSITS** - Any items, other than cash, accepted for deposit (including items drawn "on us") will be given provisional credit only until collection is final (and actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars). Subject to any other limitations, interest will be paid only on collected funds, unless otherwise provided by law. We are not responsible for transactions initiated by mail or outside depository until we actually record them. All transactions received after our "daily cut-off time" on a business day we are open, or received on a day in which we are not open for business, will be treated and recorded as if initiated on the next following business day that we are open.

**WITHDRAWALS** - Unless otherwise clearly indicated on the account records, any one of you who signs this form including authorized signers, may withdraw or transfer all or any part of the account balance at any time on forms approved by us. Each of you until we receive written notice to the contrary, authorizes each other person signing this form to endorse any item payable to you or your order for deposit to this account or any other transaction with us. We may charge against your account a check, even though payment was made before the date of the check, unless you have given us written notice of the postdating. The fact that we may honor withdrawal requests which overdraw the finally collected account balance does not obligate us to do so, unless required by law. Withdrawals will first be made from collected funds, and we may, unless prohibited by law or our written policy, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted, which is for an amount less than any minimum withdrawal requirement, or which exceeds any frequency limitation. Even if we honor a nonconforming request, repeated abuse of the stated limitations (if any) may eventually force us to close this account. We will use the date a transaction is completed by us (as opposed to the day you initiate it) to apply the frequency limitations. On interest-bearing accounts other than time deposits, we reserve the right to require at least seven days' written notice before any withdrawal or transfer. Withdrawals from a time deposit prior to maturity or prior to the expiration of any notice period may be restricted and may be subject to penalty. See your notice of penalties for early withdrawal.

**ACH AND WIRE TRANSFERS** - This agreement is subject to Article 4A of the Uniform Commercial Code in the state in which you have your account with us. If you originate a fund transfer for which Fedwire is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403 of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. If we receive a credit to an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

**OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION** - You intend these rules to apply to this account depending on the form of ownership and beneficiary designation, if any, specified on page 1. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds. **Individual Account** - is owned by one person. **Joint Account - With Survivorship (And Not As Tenants In Common)** - is owned by two or more persons. Each of you intend that upon your death the balance in the account (subject to any revocable pledge to which we have consented) will belong to the survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common. **Joint**

**Account - No Survivorship (As Tenants In Common)** - is owned by two or more persons, but none of you intend (merely by opening this account) to create any right of survivorship in any other person. We encourage you to agree and tell us in writing of the percentage of the deposit contributed by each of you. This information will not, however, affect the "number of signatures" necessary for withdrawal. **Revocable Trust or Pay-On-Death Account** - If two or more of you create such an account, you own the account jointly with survivorship. Beneficiaries acquire the right to withdraw only if: (1) all persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account in equal shares, without right of survivorship. Any such beneficiary may withdraw all or any part of the account balance. The person(s) creating either of these account types reserves the right to: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the deposit at any time. **Corporate, Partnership, and other Organizational Accounts** - We will usually require a separate authorization form designating the person permitted and conditions required for withdrawal from any account in the name of a legal entity such as a partnership, corporation, or other organization. We will honor such authorization according to its terms until it is amended or terminated in writing by the governing body of such organization.

**STOP-PAYMENTS** - A stop-payment order must be given in the manner required by law and must be received in time to give us a reasonable opportunity to act on it before our stop-payment cut-off time. Our stop-payment cut-off time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop-payment are provided by law. A stop-payment order must precisely identify the number, date and amount of the item, and the payee. We will honor a stop-payment request by the person who signed the particular item, and, by any other person, even though such other person did not sign the item, if such other person has a legal or greater right to withdraw from this account than the person who signed the item in question. A release of the stop-payment request may be made only by the person who initiated the stop-payment.

**AMENDMENTS AND TERMINATION** - From time to time we may amend any term of this agreement upon giving you reasonable notice in writing or by any other method permitted by law, including, in appropriate circumstances, posting notice in our building. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you.

**STATEMENTS** - You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized payments or alterations, you must promptly notify us of the relevant facts. If you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we exercised ordinary care and, if not, whether we substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items forged or altered by the same wrongdoer. You agree that the time you have to examine your statement and report to us will depend on the circumstances, but that such time will not, in any circumstance, exceed a total of 30 days from when the statement is first made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries or any other errors in your account within 60 days of when we make the statement available, you cannot assert a claim against us on any items in that statement, and the loss will be entirely yours. This 60 day limitation is without regard to whether we exercised ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

**DIRECT DEPOSITS** - If, in connection with a direct deposit plan, we deposit any amount in this account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from this account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

**TEMPORARY ACCOUNT AGREEMENT** - If this option is selected, we may restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

**SET-OFF** - You each agree that we may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance due the date for which we properly accelerate under the note. This right of set-off does not apply to this account if: (a) it is an Individual Retirement Account or other tax-deferred retirement account, or (b) the debt is created by a consumer credit transaction under a credit card plan, or (c) the debtor's right of withdrawal arises only in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set-off.

**FACSIMILE SIGNATURES** - You authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen on page 1 of this agreement, or that are filed separately with us, and contain the required number of signatures for this purpose.

**AUTHORIZED SIGNER (Individual Accounts only)** - An authorized signer is someone you designate to conduct transactions on your behalf, but does not have any ownership or rights at death unless named as a Pay-On-Death or Revocable Trust beneficiary.

**UNCLAIMED FUNDS** - Any money or right to money you have in this account or matured time deposits will become unclaimed funds under Ohio Revised Code Chapter 169 if, according to our records, for five years you do not make a deposit or withdrawal, correspond with us regarding this account, transact business with us or otherwise indicate an interest or knowledge of the funds.

**CORPORATE AUTHORIZATION RESOLUTION**

NCB, FSB  
2011 CRYSTAL DR  
STE 800  
ARLINGTON, VA 22202

By: CENTRAL FEDERAL CORPORATION  
ATTN: \_\_\_\_\_ *b(6)*  
2923 \_\_\_\_\_  
FAIRLAWN, OH 44333

Referred to in this document as "Financial Institution"

Referred to in this document as "Corporation"

I, Eloise L. Mackus, certify that I am Secretary (clerk) of the above named corporation organized under the laws of Delaware, Federal Employer I.D. Number 34-1877137, engaged in business under the trade name of CENTRAL FEDERAL CORPORATION, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the Board of Directors of the Corporation duly and properly called and held on January 22, 2009 (date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

AGENTS Any Agent listed below, subject to any written limitations, is authorized to exercise the powers granted as indicated below:

Name and Title or Position	Signature	Facsimile Signature (if used)
A. <u>MARK S ALLIO</u>	X <u>[Signature]</u> X	
B. <u>ELIOSE L MACKUS</u>	X <u>[Signature]</u> X	
C. <u>THERESE A LIUTKUS</u>	X <u>[Signature]</u> X	
D. _____	X _____ X	
E. _____	X _____ X	
F. _____	X _____ X	

POWERS GRANTED (Attach one or more Agents to each power by placing the letter corresponding to their name in the area before each power. Following each power indicate the number of Agent signatures required to exercise the power.)

Indicate A, B, C, D, E, and/or F	Description of Power	Indicate number of signatures required
_____	(1) Exercise all of the powers listed in this resolution.	_____
_____	(2) Open any deposit or share account(s) in the name of the Corporation.	_____
_____	(3) Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with this Financial Institution.	<u>1</u>
_____	(4) Borrow money on behalf and in the name of the Corporation, sign, execute and deliver promissory notes or other evidences of indebtedness.	_____
_____	(5) Endorse, assign, transfer, mortgage or pledge bills receivable, warehouse receipts, bills of lading, stocks, bonds, real estate or other property now owned or hereafter owned or acquired by the Corporation as security for sums borrowed, and to discount the same, unconditionally guarantee payment of all bills received, negotiated or discounted and to waive demand, presentment, protest, notice of protest and notice of non-payment.	_____
_____	(6) Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a Safe Deposit Box in this Financial Institution.	_____
_____	(7) Other _____	_____

LIMITATIONS ON POWERS The following are the Corporation's express limitations on the powers granted under this resolution.

EFFECT ON PREVIOUS RESOLUTIONS This resolution supersedes resolution dated N/A. If not completed, all resolutions remain in effect.

**CERTIFICATION OF AUTHORITY**

I further certify that the Board of Directors of the Corporation has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the resolutions on page 2 and to confer the powers granted above to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)

If checked, the Corporation is a non-profit corporation. In Witness Whereof, I have subscribed my name to this document and affixed the seal of the Corporation on 01/21/2009 (date)

Attest by One Other Officer \_\_\_\_\_ Eloise L. Mackus Secretary

## RESOLUTIONS

The Corporation named on this resolution resolves that.

- (1) The Financial Institution is designated as a depository for the funds of the Corporation and to provide other financial accommodations indicated in this resolution.
- (2) This resolution shall continue to have effect until express written notice of its rescission or modification has been received and recorded by the Financial Institution. Any and all prior resolutions adopted by the Board of Directors of the Corporation and certified to the Financial Institution as governing the operation of this corporation's account(s), are in full force and effect, until the Financial Institution receives and acknowledges an express written notice of its revocation, modification or replacement. Any revocation, modification or replacement of a resolution must be accompanied by documentation, satisfactory to the Financial Institution, establishing the authority for the changes.
- (3) The signature of an Agent on this resolution is conclusive evidence of their authority to act on behalf of the Corporation. Any Agent, so long as they act in a representative capacity as an Agent of the Corporation, is authorized to make any and all other contracts, agreements, stipulations and orders which they may deem advisable for the effective exercise of the powers indicated on page one, from time to time with the Financial Institution, subject to any restrictions on this resolution or otherwise agreed to in writing.
- (4) All transactions, if any, with respect to any deposits, withdrawals, rediscounts and borrowings by or on behalf of the Corporation with the Financial Institution prior to the adoption of this resolution are hereby ratified, approved and confirmed.
- (5) The Corporation agrees to the terms and conditions of any account agreement, properly opened by any Agent of the Corporation. The Corporation authorizes the Financial Institution, at any time, to charge the Corporation for all checks, drafts, or other orders, for the payment of money, that are drawn on the Financial Institution, so long as they contain the required number of signatures for this purpose.
- (6) The Corporation acknowledges and agrees that the Financial Institution may furnish at its discretion automated access devices to Agents of the Corporation to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term "automated access device" includes, but is not limited to, credit cards, automated teller machines (ATM), and debit cards.
- (7) The Corporation acknowledges and agrees that the Financial Institution may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term "alternative signature and verification codes" includes, but is not limited to, facsimile signatures on file with the Financial Institution, personal identification numbers (PIN), and digital signatures. If a facsimile signature specimen has been provided on this resolution, for that are filed separately by the Corporation with the Financial Institution from time to time, the Financial Institution is authorized to treat the facsimile signature as the signature of the Agent(s) regardless of by whom or by what means the facsimile signature may have been affixed so long as it resembles the facsimile signature specimen on file. The Corporation authorizes each Agent to have custody of the Corporation's private key used to create a digital signature and to request issuance of a certificate listing the corresponding public key. The Financial institution shall have no responsibility or liability for unauthorized use of alternative signature and verification codes unless otherwise agreed in writing.

Pennsylvania. The designation of an Agent does not create a power of attorney; therefore, Agents are not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code) unless the agency was created by a separate power of attorney. Any provision that assigns Financial Institution rights to act on behalf of any person or entity is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code).

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### FOR FINANCIAL INSTITUTION USE ONLY

Acknowledged and received on \_\_\_\_\_ (date) by \_\_\_\_\_ (initials)  This resolution is superseded by resolution dated \_\_\_\_\_ .

Comments:

NCB, FSB  
2011 CRYSTAL DR  
STE 800  
ARLINGTON, VA 22202

### TRUTH IN SAVINGS DISCLOSURE

Terms following a  apply only if checked

Acct: CORPORATE PARTNERSHIP CHECKING

Acct # [REDACTED]

Date: 11/21/2009

The interest rate and annual percentage yield stated below are accurate as of the date printed above. If you would like more current rate and yield information please call us at (937) 393-4246.

This disclosure contains the rules which govern your deposit account. Unless it would be inconsistent to do so, words and phrases used in this disclosure should be construed so that the singular includes the plural and the plural includes the singular.

We reserve the right to at any time require not less than \_\_\_\_\_ days notice in writing before any withdrawal from an interest bearing account.

#### FIXED RATE

The interest rate for your account is \_\_\_\_\_ % with an annual percentage yield of \_\_\_\_\_ %. We will pay this rate \_\_\_\_\_ . We will not decrease this rate unless we first give you at least 30 days notice in writing.

The interest rate and annual percentage yield for your account depend upon the applicable rate tier. We will pay these rates \_\_\_\_\_ .

We will not decrease these rates unless we first give you at least 30 days notice in writing.

#### VARIABLE RATE

The interest rate for your account is 00.000 % with an annual percentage yield of 000.00 %. Your interest rate and annual percentage yield may change.

The interest rate and annual percentage yield for your account depend upon the applicable rate tier. The interest rate and annual percentage yield for these tiers may change.

#### Determination of rate

At our discretion, we may change the interest rate on your account.

The interest rate for your account \_\_\_\_\_

The fixed initial rate is not determined by this rule.

The initial interest rate on your account \_\_\_\_\_

Subsequent rates \_\_\_\_\_

#### Frequency of rate change

We may change the interest rate on your account \_\_\_\_\_

Your initial interest rate will not change \_\_\_\_\_

We may change the interest rate on your account at that time and \_\_\_\_\_ thereafter.

#### Limitations on rate changes

The interest rate for your account will not \_\_\_\_\_ by more than \_\_\_\_\_ each \_\_\_\_\_ .

The interest rate will not be less than \_\_\_\_\_ % or more than \_\_\_\_\_ %.

The interest rate will not \_\_\_\_\_

\_\_\_\_\_ the interest rate initially disclosed to you.

#### Minimum Balance Requirements

To open the account. You must deposit at least \$ 100.00 to open this account.

To avoid imposition of fees.

To avoid the imposition of the \_\_\_\_\_ you must meet \_\_\_\_\_ following requirements:

A \_\_\_\_\_ of \$ \_\_\_\_\_ will be imposed every \_\_\_\_\_

if the balance in the account falls below \$ \_\_\_\_\_ any day of the \_\_\_\_\_ .

A \_\_\_\_\_ of \$ \_\_\_\_\_ will be imposed every \_\_\_\_\_

if the average daily balance for the \_\_\_\_\_ falls below \$ \_\_\_\_\_ .

The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

The period we use is \_\_\_\_\_ .

To avoid the imposition of the \_\_\_\_\_ you must meet \_\_\_\_\_ following requirements:

A \_\_\_\_\_ of \$ \_\_\_\_\_ will be imposed for \_\_\_\_\_

transaction (withdrawal, check paid, automatic transfer or payment out of your account) if the balance in the account

falls below \$ \_\_\_\_\_ any day of the \_\_\_\_\_ .

A \_\_\_\_\_ of \$ \_\_\_\_\_ will be imposed for \_\_\_\_\_

transaction (withdrawal, check paid, automatic transfer or payment out of your account) if the average daily balance for the \_\_\_\_\_ falls below

\$ \_\_\_\_\_ . The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

The period we use is \_\_\_\_\_ .

To obtain the annual percentage yield disclosed.

You must maintain a minimum balance of \$ 100.00 in the account each day to obtain the disclosed annual percentage yield.

You must maintain a minimum average daily balance of \$ \_\_\_\_\_ to obtain the disclosed annual percentage yield. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

The period we use is \_\_\_\_\_ .

Compounding and Crediting

Frequency - Interest \_\_\_\_\_ be compounded \_\_\_\_\_ . Interest will be credited Non Interest Bearing Acct .

Effect of closing an account - If you close your account before interest is credited, you \_\_\_\_\_ receive the accrued interest.

Balance Computation Method

Daily Balance Method. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

Average Daily Balance Method. We use the average daily balance method to calculate interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

The period we use is \_\_\_\_\_ .

Accrual of interest on noncash deposits

Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

Interest begins to accrue \_\_\_\_\_ .  
\_\_\_\_\_ .  
\_\_\_\_\_ .  
you deposit noncash items (for example, checks).

Bonuses

You will \_\_\_\_\_ as a bonus \_\_\_\_\_ .

You must maintain a minimum \_\_\_\_\_ of \$ \_\_\_\_\_ to obtain the bonus.

To earn the bonus, \_\_\_\_\_ .  
\_\_\_\_\_ .

Transaction Limitations

The minimum amount you may deposit is \$ \_\_\_\_\_ .

The minimum amount you may withdraw is \$ \_\_\_\_\_ .

You may only make \_\_\_\_\_ transfers from your account each \_\_\_\_\_ by checks to third parties and \_\_\_\_\_ .

The minimum withdrawal is \$ \_\_\_\_\_ .

You may only make \_\_\_\_\_ deposits into your account each statement cycle.

You may only make \_\_\_\_\_ ATM \_\_\_\_\_ your account each statement cycle.

You may only make \_\_\_\_\_ preauthorized transfers \_\_\_\_\_ your account each statement cycle.

Temporary Transaction Limitations:

The following withdrawal limitations apply until your identity is verified. Once your identity has been verified, any limits disclosed to you will apply.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Additional Terms  
SEE ADDENDUM

NCB, FSB  
1725 Eye Street NW  
Suite 600  
Washington, DC 20006

CONTAINS CONFIDENTIAL INFORMATION

Date 02/27/09  
Page 1 of 5

CENTRAL FEDERAL CORPORATION  
2923 SMITH RD  
FAIRLAWN, OH 44333

Subject: CDARS® Customer Statement

Legal Account Title: CENTRAL FEDERAL CORPORATION

Below is a summary of your certificate(s) of deposit, which we are holding for you as your custodian. These certificate(s) of deposit have been issued through CDARS by one or more FDIC-insured depository institutions. Should you have any questions, please contact us at 202-336-7779 or send an email to [REDACTED]


b(6)

**Summary of Accounts Reflecting Placements Through CDARS**

Account ID	Effective Date	Maturity Date	Interest Rate	Opening Balance	Ending Balance
b(4) [REDACTED]	02/19/09	03/19/09	0.7%	\$0.00	\$7,231,376.66
<b>TOTAL</b>				<b>\$0.00</b>	<b>\$7,231,376.66</b>

Date 02/27/09  
Page 2 of 5

## ACCOUNT OVERVIEW

Account ID:   
 Product Name: 4-WEEK NON-PERSONAL CD  
 Interest Rate: 0.7%  
 Account Balance: \$7,231,376.66

Effective Date: 02/19/09  
 Maturity Date: 03/19/09  
 YTD Interest Paid: \$0.00  
 Interest Accrued: \$1,386.74  
 Int Earned Since Last Stmt: \$1,386.74

The Annual Percentage Yield Earned is 0.70%.

## CD Issued by American Bank of the North

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$11.56	02/19/09	Deposit	60,273.14
Int Earned Since Last Stmt:	\$11.56	02/27/09	ENDING BALANCE	\$60,273.14

## CD Issued by American National Bank

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

## CD Issued by Bar Harbor Bank &amp; Trust

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

## CD Issued by BB&amp;T

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

## CD Issued by Carolina First Bank

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

## CD Issued by Central Valley Community Bank

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

## CD Issued by East West Bank

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

## CD Issued by Fidelity Bank

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

## CD Issued by First NBC Bank

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51			
Int Earned Since Last Stmt:	\$47.51			



Date 02/27/09  
Page 3 of 5

02/19/09 Deposit 247,750.00  
02/27/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Gateway Bank & Trust Company**

YTD Interest Paid: \$0.00 02/19/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$47.51 02/19/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$47.51 02/27/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Gibraltar Private Bank & Trust Company**

YTD Interest Paid: \$0.00 02/19/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$47.51 02/19/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$47.51 02/27/09 **ENDING BALANCE** \$247,750.00

**CD Issued by IBERIABANK**

YTD Interest Paid: \$0.00 02/19/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$47.51 02/19/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$47.51 02/27/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Johnson Bank**

YTD Interest Paid: \$0.00 02/19/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$47.51 02/19/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$47.51 02/27/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Machias Savings Bank**

YTD Interest Paid: \$0.00 02/19/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$47.51 02/19/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$47.51 02/27/09 **ENDING BALANCE** \$247,750.00

**CD Issued by New Resource Bank**

YTD Interest Paid: \$0.00 02/19/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$47.51 02/19/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$47.51 02/27/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Old Line Bank**

YTD Interest Paid: \$0.00 02/19/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$47.51 02/19/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$47.51 02/27/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Planters Bank, Inc.**

YTD Interest Paid: \$0.00 02/19/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$47.51 02/19/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$47.51 02/27/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Provident Bank of Maryland**

YTD Interest Paid: \$0.00 02/19/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$47.51 02/19/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$47.51 02/27/09 **ENDING BALANCE** \$247,750.00

Date 02/27/09  
Page 4 of 5**CD Issued by Rockland Trust Company**

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

**CD Issued by S&T Bank**

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

**CD Issued by Summit Bank**

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$44.90	02/19/09	Deposit	234,103.52
Int Earned Since Last Stmt:	\$44.90	02/27/09	ENDING BALANCE	\$234,103.52

**CD Issued by STAR Financial Bank**

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

**CD Issued by The F&M Bank & Trust Company**

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

**CD Issued by The First, N.A.**

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

**CD Issued by United Bank**

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

**CD Issued by United Bank, Inc.**

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

**CD Issued by United Community Bank**

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	ENDING BALANCE	\$247,750.00

**CD Issued by Valley Bank**

YTD Interest Paid:	\$0.00	02/19/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$47.51			
Int Earned Since Last Stmt:	\$47.51			

Date 02/27/09  
Page 5 of 5

02/19/09	Deposit	247,750.00
02/27/09	<b>ENDING BALANCE</b>	<b>\$247,750.00</b>

**CD Issued by Western National Bank**

YTD Interest Paid:	\$0.00	02/19/09	<b>OPENING BALANCE</b>	<b>\$0.00</b>
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	<b>ENDING BALANCE</b>	<b>\$247,750.00</b>

**CD Issued by WesBanco Bank, Inc.**

YTD Interest Paid:	\$0.00	02/19/09	<b>OPENING BALANCE</b>	<b>\$0.00</b>
Interest Accrued:	\$47.51	02/19/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$47.51	02/27/09	<b>ENDING BALANCE</b>	<b>\$247,750.00</b>

Thank you for your business.

NCB, FSB  
1725 Eye Street NW  
Suite 600  
Washington, DC 20006

CONTAINS CONFIDENTIAL INFORMATION

CENTRAL FEDERAL CORPORATION  
2923 SMITH RD  
FAIRLAWN, OH 44333

Date 01/22/09  
Account [REDACTED]  
Page 1 of 2

b(4)

Subject: New Account Notice

Legal Account Title: CENTRAL FEDERAL CORPORATION

Thank you for purchasing certificate(s) of deposit through NCB, FSB. These deposit(s) have been placed by us, as your agent and custodian, through CDARS® with one or more FDIC-insured depository institutions. Per your request, the funds will be resubmitted for deposit at maturity. There is no grace period after maturity, so please advise us prior to 4:00 PM (local time) two business days before maturity if you wish to amend these instructions. If any of the following information is incorrect, or if you have any questions, please contact us at 202-336-7779 or send an email to [REDACTED] b(6)

Account ID	[REDACTED] b(4)	Principal Amount	7,225,000.00
Effective Date	01/22/09	Interest Rate	1.15%
Maturity Date	02/19/09	Annual Percentage Yield	1.16%
Interest Payment Frequency	At Maturity		
Interest Disbursement Type	Credit to Principal		
Maturity Disbursement Type	Reinvest		
Product Name	4-WEEK NON-PERSONAL CD		

Your certificate(s) of deposit were issued by the following FDIC-insured depository institution(s):

Pulaski Bank	St. Louis, MO	247,750.00
Gibraltar Private Bank & Trust Company	Coral Gables, FL	247,750.00
CNLBank	Orlando, FL	247,750.00
Bank of Sacramento	Sacramento, CA	247,750.00
Citizens Business Bank	Ontario, CA	247,750.00
Pacific Western Bank	San Diego, CA	247,750.00
Republic Bank & Trust Co	Louisville, KY	247,750.00
The First, N.A.	Damariscotta, ME	247,750.00
Missouri Bank and Trust Company	Kansas City, MO	247,750.00
Johnson Bank	Racine, WI	247,750.00
BankTrust	Mobile, AL	118,107.91
Premier Valley Bank	Fresno, CA	247,750.00
Bank of American Fork	American Fork, UT	247,750.00
East West Bank	Pasadena, CA	247,750.00
Central Bank and Trust Company	Hutchinson, KS	247,750.00
Traditional Bank Inc	Mount Sterling, KY	247,750.00
Cardinal Bank	McLean, VA	247,750.00
Gateway Bank & Trust Company	Elizabeth City, NC	247,750.00
State Bank of Countryside	Countryside, IL	32,323.65
West Bank	West Des Moines, IA	247,750.00
Hillcrest Bank	Overland Park, KS	247,750.00
Banco Popular North America	Rosemont, IL	247,750.00
Access National Bank	Reston, VA	247,750.00
The Park Avenue Bank	Valdosta, GA	247,750.00
LegacyTexas Bank	Piano, TX	247,750.00
Columbia State Bank	Tacoma, WA	247,750.00
Commonwealth Bank and Trust	Louisville, KY	247,750.00

NCB, FSB  
1725 Eye Street NW  
Suite 600  
Washington, DC 20006

CONTAINS CONFIDENTIAL INFORMATION

CENTRAL FEDERAL CORPORATION  
2923 SMITH RD  
FAIRLAWN, OH 44333

Date 01/22/09  
Account  b(4)  
Page 2 of 2

SpiritBank	Bristow, OK	247,750.00
Old Line Bank	Bowie, MD	247,750.00
Bank of Florida-Southeast	Fort Lauderdale, FL	137,568.44
New Resource Bank	San Francisco, CA	<u>247,750.00</u>
		7,225,000.00

Below is the depository institution(s) where you do not wish your funds placed, as you indicated at the time you submitted your funds to us for placement through CDARS.

CF BANK Fairlawn, OH

Thank you for your business.

NCB, FSB  
1725 Eye Street NW  
Suite 600  
Washington, DC 20006

CONTAINS CONFIDENTIAL INFORMATION

Date 01/30/09  
Page 1 of 5

CENTRAL FEDERAL CORPORATION  
2923 SMITH RD  
FAIRLAWN, OH 44333

Subject: CDARS® Customer Statement

Legal Account Title: CENTRAL FEDERAL CORPORATION

Below is a summary of your certificate(s) of deposit, which we are holding for you as your custodian. These certificate(s) of deposit have been issued through CDARS by one or more FDIC-insured depository institutions. Should you have any questions, please contact us at 202-336-7779 or send an email to [REDACTED]

b(6)

**Summary of Accounts Reflecting Placements Through CDARS**

Account ID	Effective Date	Maturity Date	Interest Rate	Opening Balance	Ending Balance
[REDACTED] b(4)	01/22/09	02/19/09	1.15%	\$0.00	\$7,225,000.00
<b>TOTAL</b>				<b>\$0.00</b>	<b>\$7,225,000.00</b>

Date 01/30/09  
Page 2 of 5

## ACCOUNT OVERVIEW

Account ID: XXXXXXXXXX *b(4)*  
 Product Name: 4-WEEK NON-PERSONAL CD  
 Interest Rate: 1.15%  
 Account Balance: \$7,225,000.00

Effective Date: 01/22/09  
 Maturity Date: 02/19/09  
 YTD Interest Paid: \$0.00  
 Interest Accrued: \$2,276.41  
 Int Earned Since Last Stmt: \$2,276.41

The Annual Percentage Yield Earned is 1.16%.

## CD Issued by Access National Bank

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

## CD Issued by Banco Popular North America

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

## CD Issued by Bank of American Fork

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

## CD Issued by Bank of Florida-Southeast

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$43.34	01/22/09	Deposit	137,568.44
Int Earned Since Last Stmt:	\$43.34	01/30/09	ENDING BALANCE	\$137,568.44

## CD Issued by Bank of Sacramento

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

## CD Issued by BankTrust

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$37.21	01/22/09	Deposit	118,107.91
Int Earned Since Last Stmt:	\$37.21	01/30/09	ENDING BALANCE	\$118,107.91

## CD Issued by Cardinal Bank

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

## CD Issued by Central Bank and Trust Company

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

## CD Issued by Citizens Business Bank

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06			
Int Earned Since Last Stmt:	\$78.06			

Date 01/30/09  
Page 3 of 5

01/22/09 Deposit 247,750.00  
01/30/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Columbia State Bank**

YTD Interest Paid: \$0.00 01/22/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$78.06 01/22/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$78.06 01/30/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Commonwealth Bank and Trust**

YTD Interest Paid: \$0.00 01/22/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$78.06 01/22/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$78.06 01/30/09 **ENDING BALANCE** \$247,750.00

**CD Issued by CNLBank**

YTD Interest Paid: \$0.00 01/22/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$78.06 01/22/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$78.06 01/30/09 **ENDING BALANCE** \$247,750.00

**CD Issued by East West Bank**

YTD Interest Paid: \$0.00 01/22/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$78.06 01/22/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$78.06 01/30/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Gateway Bank & Trust Company**

YTD Interest Paid: \$0.00 01/22/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$78.06 01/22/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$78.06 01/30/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Gibraltar Private Bank & Trust Company**

YTD Interest Paid: \$0.00 01/22/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$78.06 01/22/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$78.06 01/30/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Hillcrest Bank**

YTD Interest Paid: \$0.00 01/22/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$78.06 01/22/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$78.06 01/30/09 **ENDING BALANCE** \$247,750.00

**CD Issued by Johnson Bank**

YTD Interest Paid: \$0.00 01/22/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$78.06 01/22/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$78.06 01/30/09 **ENDING BALANCE** \$247,750.00

**CD Issued by LegacyTexas Bank**

YTD Interest Paid: \$0.00 01/22/09 **OPENING BALANCE** \$0.00  
Interest Accrued: \$78.06 01/22/09 Deposit 247,750.00  
Int Earned Since Last Stmt: \$78.06 01/30/09 **ENDING BALANCE** \$247,750.00



Date 01/30/09  
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**CD Issued by Missouri Bank and Trust Company**

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

**CD Issued by New Resource Bank**

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

**CD Issued by Old Line Bank**

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

**CD Issued by Pacific Western Bank**

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

**CD Issued by Premier Valley Bank**

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

**CD Issued by Pulaski Bank**

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

**CD Issued by Republic Bank & Trust Co**

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

**CD Issued by SpiritBank**

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	ENDING BALANCE	\$247,750.00

**CD Issued by State Bank of Countryside**

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$10.18	01/22/09	Deposit	32,323.65
Int Earned Since Last Stmt:	\$10.18	01/30/09	ENDING BALANCE	\$32,323.65

**CD Issued by The First, N.A.**

YTD Interest Paid:	\$0.00	01/22/09	OPENING BALANCE	\$0.00
Interest Accrued:	\$78.06			
Int Earned Since Last Stmt:	\$78.06			

Date 01/30/09  
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01/22/09 Deposit 247,750.00  
01/30/09 **ENDING BALANCE** **\$247,750.00**

**CD Issued by The Park Avenue Bank**

YTD Interest Paid:	\$0.00	01/22/09	<b>OPENING BALANCE</b>	<b>\$0.00</b>
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	<b>ENDING BALANCE</b>	<b>\$247,750.00</b>

**CD Issued by Traditional Bank Inc**

YTD Interest Paid:	\$0.00	01/22/09	<b>OPENING BALANCE</b>	<b>\$0.00</b>
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	<b>ENDING BALANCE</b>	<b>\$247,750.00</b>

**CD Issued by West Bank**

YTD Interest Paid:	\$0.00	01/22/09	<b>OPENING BALANCE</b>	<b>\$0.00</b>
Interest Accrued:	\$78.06	01/22/09	Deposit	247,750.00
Int Earned Since Last Stmt:	\$78.06	01/30/09	<b>ENDING BALANCE</b>	<b>\$247,750.00</b>

Thank you for your business.

NCB, FSB  
1725 Eye Street NW  
Suite 600  
Washington, DC 20006

CENTRAL FEDERAL CORPORATION  
2923 SMITH RD  
FAIRLAWN, OH 44333

Date 02/06/09  
Account [Redacted] b(4)  
Page 1 of 2

Subject: Maturity Notice

Legal Account Title: CENTRAL FEDERAL CORPORATION

Below is a summary of your certificate(s) of deposit that have been placed through CDARS® with one or more FDIC-insured depository institutions that will mature on February 19, 2009. You had requested that the principal and interest be resubmitted for deposit at maturity. Please call us prior to 4:00 PM (local time) two business days before maturity to establish the terms before we resubmit your funds. If, however, you have previously entered into a written agreement with us regarding your resubmitted funds, the terms of your new order will be established according to the terms of that agreement. Should you have any questions, please contact us at 202-336-7779 or send an email to [Redacted] b(4)

Account Number	[Redacted] b(4)	Original Principal Amount	7,225,000.00
Effective Date	01/22/09	Current Principal Balance	7,225,000.00
Maturity Date	02/19/09	Anticipated Payout At Maturity	7,231,376.66
Interest Payment Frequency	At Maturity	Anticipated Interest	6,376.66
Interest Disbursement Type	Credit to Principal	Anticipated Amount Withheld	0.00
Maturity Disbursement Type	Reinvest	Interest Rate	1.15%
Product Name	4-WEEK NON-PERSONAL CD	Annual Percentage Yield	1.16%


Your certificate(s) of deposit were issued by the following FDIC-insured depository institution(s):

	Principal Balance	Anticipated Interest	Anticipated Amt Withheld	Anticipated Payout at Maturity
Pulaski Bank	247,750.00	218.66	0.00	247,968.66
Gibraltar Private Bank & Trust Company	247,750.00	218.66	0.00	247,968.66
CNLBank	247,750.00	218.66	0.00	247,968.66
Bank of Sacramento	247,750.00	218.66	0.00	247,968.66
Citizens Business Bank	247,750.00	218.66	0.00	247,968.66
Pacific Western Bank	247,750.00	218.66	0.00	247,968.66
Republic Bank & Trust Co	247,750.00	218.66	0.00	247,968.66
The First, N.A.	247,750.00	218.66	0.00	247,968.66
Missouri Bank and Trust Company	247,750.00	218.66	0.00	247,968.66
Johnson Bank	247,750.00	218.66	0.00	247,968.66
BankTrust	118,107.91	104.24	0.00	118,212.15
Premier Valley Bank	247,750.00	218.66	0.00	247,968.66
Bank of American Fork	247,750.00	218.66	0.00	247,968.66
East West Bank	247,750.00	218.66	0.00	247,968.66
Central Bank and Trust Company	247,750.00	218.66	0.00	247,968.66
Traditional Bank Inc	247,750.00	218.66	0.00	247,968.66
Cardinal Bank	247,750.00	218.66	0.00	247,968.66
Gateway Bank & Trust Company	247,750.00	218.66	0.00	247,968.66
State Bank of Countryside	32,323.65	28.53	0.00	32,352.18
West Bank	247,750.00	218.66	0.00	247,968.66
Hillcrest Bank	247,750.00	218.66	0.00	247,968.66

NCB, FSB  
1725 Eye Street NW  
Suite 600  
Washington, DC 20006

CONTAINS CONFIDENTIAL INFORMATION

CENTRAL FEDERAL CORPORATION  
2923 SMITH RD  
FAIRLAWN, OH 44333

Date 02/19/09  
Account  b(4)  
Page 2 of 2

Summit Bank	Eugene, OR	234,103.52
New Resource Bank	San Francisco, CA	247,750.00
First NBC Bank	New Orleans, LA	247,750.00
		<hr/>
		7,231,376.66

Below is the depository institution(s) where you do not wish your funds placed, as you indicated at the time you re-submitted your funds to us for placement through CDARS.

CF BANK Fairlawn, OH

Thank you for your business.

NCB, FSB  
1725 Eye Street NW  
Suite 600  
Washington, DC 20006

CENTRAL FEDERAL CORPORATION  
2923 SMITH RD  
FAIRLAWN, OH 44333

Date 02/19/09  
Account [REDACTED] b(4)  
Page 1 of 2

Subject: New Account Notice

Legal Account Title: CENTRAL FEDERAL CORPORATION

Thank you for purchasing certificate(s) of deposit through NCB, FSB. These deposit(s) have been placed by us, as your agent and custodian, through CDARS® with one or more FDIC-insured depository institutions. Per your request, the funds will be resubmitted for deposit at maturity. There is no grace period after maturity, so please advise us prior to 4:00 PM (local time) two business days before maturity if you wish to amend these instructions. If any of the following information is incorrect, or if you have any questions, please contact us at 202-336-7779 or send an email to [REDACTED] b(6)

Account ID	[REDACTED] b(4)	Principal Amount	7,231,376.66
Effective Date	02/19/09	Interest Rate	0.70%
Maturity Date	03/19/09	Annual Percentage Yield	0.70%
Interest Payment Frequency	At Maturity	Old Account ID	1006074959
Interest Disbursement Type	Credit to Principal		
Maturity Disbursement Type	Reinvest		
Product Name	4-WEEK NON-PERSONAL CD		

Your certificate(s) of deposit were issued by the following FDIC-insured depository institution(s):

Fidelity Bank	Wichita, KS	247,750.00
Gibraltar Private Bank & Trust Company	Coral Gables, FL	247,750.00
Machias Savings Bank	Machias, ME	247,750.00
American Bank of the North	Nashwauk, MN	60,273.14
United Bank	Vienna, VA	247,750.00
Carolina First Bank	Greenville, SC	247,750.00
The First, N.A.	Damariscotta, ME	247,750.00
Johnson Bank	Racine, WI	247,750.00
American National Bank	Oakland Park, FL	247,750.00
United Bank, Inc.	Parkersburg, WV	247,750.00
United Community Bank	Blairsville, GA	247,750.00
East West Bank	Pasadena, CA	247,750.00
Valley Bank	Roanoke, VA	247,750.00
Gateway Bank & Trust Company	Elizabeth City, NC	247,750.00
STAR Financial Bank	Fort Wayne, IN	247,750.00
S&T Bank	Indiana, PA	247,750.00
BB&T	Winston-Salem, NC	247,750.00
The F&M Bank & Trust Company	Tulsa, OK	247,750.00
Western National Bank	Odessa, TX	247,750.00
WesBanco Bank, Inc.	Wheeling, WV	247,750.00
IBERIABANK	Lafayette, LA	247,750.00
Rockland Trust Company	Rockland, MA	247,750.00
Central Valley Community Bank	Fresno, CA	247,750.00
Bar Harbor Bank & Trust	Bar Harbor, ME	247,750.00
Provident Bank of Maryland	Baltimore, MD	247,750.00
Old Line Bank	Bowie, MD	247,750.00
Planters Bank, Inc.	Hopkinsville, KY	247,750.00

NCB, FSB  
 1725 Eye Street NW  
 Suite 600  
 Washington, DC 20006

CONTAINS CONFIDENTIAL INFORMATION

CENTRAL FEDERAL CORPORATION  
 2923 SMITH RD  
 FAIRLAWN, OH 44333

Date 02/06/09  
 Account [REDACTED] b(4)  
 Page 2 of 2

Banco Popular North America	247,750.00	218.66	0.00	247,968.66
Access National Bank	247,750.00	218.66	0.00	247,968.66
The Park Avenue Bank	247,750.00	218.66	0.00	247,968.66
LegacyTexas Bank	247,750.00	218.66	0.00	247,968.66
Columbia State Bank	247,750.00	218.66	0.00	247,968.66
Commonwealth Bank and Trust	247,750.00	218.66	0.00	247,968.66
SpiritBank	247,750.00	218.66	0.00	247,968.66
Old Line Bank	247,750.00	218.66	0.00	247,968.66
Bank of Florida-Southeast	137,568.44	121.41	0.00	137,689.85
New Resource Bank	247,750.00	218.66	0.00	247,968.66
	<u>7,225,000.00</u>	<u>6,376.66</u>	<u>0.00</u>	<u>7,231,376.66</u>

Anticipated interest and withholding are estimated amounts and assume that the entire principal remains on deposit until maturity. Because interest on your certificate(s) of deposit accrues daily, early or partial withdrawals, reinvestments, or other factors may affect the actual interest and amount withheld for taxes at maturity.

Thank you for your business.

NCB, FSB  
1725 Eye Street NW  
Suite 600  
Washington, DC 20006

CONTAINS CONFIDENTIAL INFORMATION

Date 02/19/09  
Page 1 of 5

CENTRAL FEDERAL CORPORATION  
2923 SMITH RD  
FAIRLAWN, OH 44333

Subject: CDARS® Customer Statement

Legal Account Title: CENTRAL FEDERAL CORPORATION

Below is a summary of your certificate(s) of deposit, which we are holding for you as your custodian. These certificate(s) of deposit have been issued through CDARS by one or more FDIC-insured depository institutions. Should you have any questions, please contact us at 202-336-7779 or send an email to [REDACTED]


b(6)

**Summary of Accounts Reflecting Placements Through CDARS**

Account ID	Effective Date	Maturity Date	Interest Rate	Opening Balance	Ending Balance
[REDACTED] b(4)	01/22/09	02/19/09	1.15%	\$7,225,000.00	\$0.00
<b>TOTAL</b>				<b>\$7,225,000.00</b>	<b>\$0.00</b>

Date 02/19/09  
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## ACCOUNT OVERVIEW

Account ID:  b(4)  
Product Name: 4-WEEK NON-PERSONAL CD  
Interest Rate: 1.15%  
Account Balance: \$0.00  
The Annual Percentage Yield Earned is 1.16%.

Effective Date: 01/22/09  
Maturity Date: 02/19/09  
YTD Interest Paid: \$6,376.66  
Int Earned Since Last Stmt: \$4,100.25

## CD Issued by Access National Bank

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout - Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

## CD Issued by Banco Popular North America

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout - Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

## CD Issued by Bank of American Fork

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout - Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

## CD Issued by Bank of Florida-Southeast

YTD Interest Paid:	\$121.41	01/31/09	<b>OPENING BALANCE</b>	<b>\$137,568.44</b>
Int Earned Since Last Stmt:	\$78.07	02/19/09	Interest Payment	121.41
		02/19/09	Maturity Payout - Funds To Be Reinvested	-137,689.85
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

## CD Issued by Bank of Sacramento

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout - Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

## CD Issued by BankTrust

YTD Interest Paid:	\$104.24	01/31/09	<b>OPENING BALANCE</b>	<b>\$118,107.91</b>
Int Earned Since Last Stmt:	\$67.03	02/19/09	Interest Payment	104.24
		02/19/09	Maturity Payout - Funds To Be Reinvested	-118,212.15
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

## CD Issued by Cardinal Bank

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout - Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

## CD Issued by Central Bank and Trust Company

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66



Date 02/19/09  
Page 3 of 5

02/19/09 Maturity Payout – Funds To Be Reinvested -247,968.66  
02/19/09 **ENDING BALANCE** \$0.00

**CD Issued by Citizens Business Bank**

YTD Interest Paid: \$218.66 01/31/09 **OPENING BALANCE** \$247,750.00  
Int Earned Since Last Stmt: \$140.60 02/19/09 Interest Payment 218.66  
02/19/09 Maturity Payout – Funds To Be Reinvested -247,968.66  
02/19/09 **ENDING BALANCE** \$0.00

**CD Issued by Columbia State Bank**

YTD Interest Paid: \$218.66 01/31/09 **OPENING BALANCE** \$247,750.00  
Int Earned Since Last Stmt: \$140.60 02/19/09 Interest Payment 218.66  
02/19/09 Maturity Payout – Funds To Be Reinvested -247,968.66  
02/19/09 **ENDING BALANCE** \$0.00

**CD Issued by Commonwealth Bank and Trust**

YTD Interest Paid: \$218.66 01/31/09 **OPENING BALANCE** \$247,750.00  
Int Earned Since Last Stmt: \$140.60 02/19/09 Interest Payment 218.66  
02/19/09 Maturity Payout – Funds To Be Reinvested -247,968.66  
02/19/09 **ENDING BALANCE** \$0.00

**CD Issued by CNLBank**

YTD Interest Paid: \$218.66 01/31/09 **OPENING BALANCE** \$247,750.00  
Int Earned Since Last Stmt: \$140.60 02/19/09 Interest Payment 218.66  
02/19/09 Maturity Payout – Funds To Be Reinvested -247,968.66  
02/19/09 **ENDING BALANCE** \$0.00

**CD Issued by East West Bank**

YTD Interest Paid: \$218.66 01/31/09 **OPENING BALANCE** \$247,750.00  
Int Earned Since Last Stmt: \$140.60 02/19/09 Interest Payment 218.66  
02/19/09 Maturity Payout – Funds To Be Reinvested -247,968.66  
02/19/09 **ENDING BALANCE** \$0.00

**CD Issued by Gateway Bank & Trust Company**

YTD Interest Paid: \$218.66 01/31/09 **OPENING BALANCE** \$247,750.00  
Int Earned Since Last Stmt: \$140.60 02/19/09 Interest Payment 218.66  
02/19/09 Maturity Payout – Funds To Be Reinvested -247,968.66  
02/19/09 **ENDING BALANCE** \$0.00

**CD Issued by Gibraltar Private Bank & Trust Company**

YTD Interest Paid: \$218.66 01/31/09 **OPENING BALANCE** \$247,750.00  
Int Earned Since Last Stmt: \$140.60 02/19/09 Interest Payment 218.66  
02/19/09 Maturity Payout – Funds To Be Reinvested -247,968.66  
02/19/09 **ENDING BALANCE** \$0.00

**CD Issued by Hillcrest Bank**

YTD Interest Paid: \$218.66 01/31/09 **OPENING BALANCE** \$247,750.00  
Int Earned Since Last Stmt: \$140.60 02/19/09 Interest Payment 218.66  
02/19/09 Maturity Payout – Funds To Be Reinvested -247,968.66  
02/19/09 **ENDING BALANCE** \$0.00

Date 02/19/09  
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**CD Issued by Johnson Bank**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by LegacyTexas Bank**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by Missouri Bank and Trust Company**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by New Resource Bank**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by Old Line Bank**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by Pacific Western Bank**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by Premier Valley Bank**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by Pulaski Bank**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

Date 02/19/09  
Page 5 of 5

**CD Issued by Republic Bank & Trust Co**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by SpiritBank**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by State Bank of Countryside**

YTD Interest Paid:	\$28.53	01/31/09	<b>OPENING BALANCE</b>	<b>\$32,323.65</b>
Int Earned Since Last Stmt:	\$18.35	02/19/09	Interest Payment	28.53
		02/19/09	Maturity Payout – Funds To Be Reinvested	-32,352.18
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by The First, N.A.**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by The Park Avenue Bank**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by Traditional Bank Inc**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>

**CD Issued by West Bank**

YTD Interest Paid:	\$218.66	01/31/09	<b>OPENING BALANCE</b>	<b>\$247,750.00</b>
Int Earned Since Last Stmt:	\$140.60	02/19/09	Interest Payment	218.66
		02/19/09	Maturity Payout – Funds To Be Reinvested	-247,968.66
		02/19/09	<b>ENDING BALANCE</b>	<b>\$0.00</b>



Thank you for your business.

TRANSMISSION VERIFICATION REPORT

TIME : 01/20/2009 17:52  
 NAME :  
 FAX :  
 TEL :  
 SER.# : BROA8J767549

DATE, TIME	01/20 17:44
FAX NO./NAME	17036473495
DURATION	00:07:52
PAGE(S)	34
RESULT	OK
MODE	STANDARD ECM





TO:  b(6)	FROM:  b(6)
COMPANY:	DATE: 1-20-09
FAX NUMBER:	FAX NUMBER: 330.666.7959
PHONE NUMBER:	PHONE NUMBER: 330.666.7979
RE: New Acct.	TOTAL NO. OF PAGES:

Thanks for your help!

 b(6)



TO:  b(6)	FROM:  b(6)
COMPANY:	DATE: 1-20-09
FAX NUMBER:	FAX NUMBER: 330.666.7959
PHONE NUMBER:	PHONE NUMBER: 330.666.7979
RE: New Acc	TOTAL NO. OF PAGES:

Thanks for your help!

 b(6)

2923 Smith Road  
Fairlawn, OH 44333

**Nanci Dodgson**

**From:** [REDACTED] [REDACTED]@ncb.coop] b(6)  
**Sent:** Tuesday, January 20, 2009 4:02 PM  
**To:** [REDACTED] b(6)  
**Subject:** Fw: CDARS placement  
**Attachments:** WIRE TRANSFER INSTRUCTIONS.doc; New Business Application.pdf; Customer Request for Account Placement.pdf; CDARS DepositPlacementAgt..pdf

[REDACTED] NCB  
2011 Crystal Drive | Suite 800 | Arlington, VA 22202  
[REDACTED]@ncb.coop

b(6)

Please use the following link to send sensitive customer/ financial information:  
<https://ncbweb.ncb.com/secure/contact.nsf/memo.htm>

*NCB refers to National Consumer Cooperative Bank and its subsidiaries (primarily NCB, FSB and NCB Financial Advisors, Inc.), its affiliated non-profit corporation, NCB Capital Impact, and also NCB Community Works, which is jointly owned by NCB Capital Impact. Each is a separate corporation within the NCB Financial Group.*

----- Forwarded by [REDACTED] on 01/20/2009 04:01 PM -----

[REDACTED]  
01/20/2009 03:28 PM

b(6)

Tc [REDACTED] b(6)  
cc [REDACTED]  
Subject CDARS placement

[REDACTED] b(6)

4 week term @ 1.15%. Attached you will find a deposit application that needs to be completed for the checking account that will be used as the transfer mechanism. Please provide me with copy of W-9 as well as your CDARS placement agreement docs.

Please call if you have any questions.

Best regards,

[REDACTED] b(6)

PS For your wire, the account number is [REDACTED] b(4)

[REDACTED] b(6)  
2011 Crystal Drive | Suite 800 | Arlington, VA 22202  
[REDACTED]

Please use the following link to send sensitive customer/ financial information:  
<https://ncbweb.ncb.com/secure/contact.nsf/memo.htm>

*NCB refers to National Consumer Cooperative Bank and its subsidiaries (primarily NCB, FSB and NCB Financial Advisors, Inc.), its affiliated non-profit corporation, NCB Capital Impact, and also NCB Community Works, which is jointly owned by NCB Capital Impact. Each is a separate corporation within the NCB Financial Group.*



# BUSINESS DEPOSIT ACCOUNT APPLICATION

Important Applicant Information: Federal law requires financial institutions to obtain sufficient information to verify your identity. You may be asked several questions and to provide one or more forms of identification to fulfill this requirement. In some instances we may use outside sources to confirm the information. The information you provide is protected by our privacy policy and federal law.

## 1 COMPLETE THE INFORMATION BELOW

Company Name: Central Federal Corporation

Tax Identification #: 34-18-77137 Inception Date: 9/1998

Contact Person: [REDACTED] (b)(6) Title: AVP Treasury Mgt

Address: 2923 Smith Rd

City: Fairlawn (b)(6) State / Zip: OH 44333 (b)(6)

Phone: [REDACTED] Fax: 330 666 1459 email: [REDACTED]

### Authorized Signers (Print Name and Title):

- Mark S. Allio Chairman, President & CEO
- Eloise L. Muekus Sr VP General Counsel & Secretary
- Therese A. Lutkus Treasurer & CFO
- \_\_\_\_\_

Please select those cash management services you want to utilize:

- Corporate Checking  Master Client Checking  Corporate Sweep Account\*  Interest Business Checking\*\*
- Certificate of Deposit (CD)  Money Market Deposit Account (MMDA)  MMDA Plus

Term: \_\_\_\_\_

Initial Deposit Amount: \_\_\_\_\_

## 2 ATTACH IMPORTANT DOCUMENTS

Please include a copy of your Articles of Incorporation or like documentation (U.S. Government recognition) with this application. Also include a copy of your assigned Tax Identification Number (TIN).

## 3 RETURN COMPLETED APPLICATION

Fax completed application to (703) 647-3495.

Or, mail to: Deposit Production Office  
**NCB**  
 2011 Crystal Drive, Suite 800  
 Arlington, VA 22202

\* Investment products are not FDIC insured, nor are they obligations of or guaranteed by NCB, FSB, and are subject to substantial risk, including the possible loss of some or all of the principal invested

\*\* Available to sole proprietors, municipalities and nonprofit organizations only. Some nonprofit organizations may not qualify.

NCB means National Consumer Cooperative Bank, its wholly-owned subsidiary NCB, FSB, and its affiliated non-profit corporation NCB Capital Impact. Each may provide loans or technical assistance as a separate entity within the NCB Financial Group, all of which are Equal Housing Lenders. Deposit products and services are provided by NCB, FSB, which is a member of the FDIC.

# Request for Taxpayer Identification Number and Certification

Give form to the  
requester. Do not  
send to the IRS.

Print or type  
See Specific Instructions on page 2.

Name (as shown on your income tax return)  
**Central Federal Corporation**

Business name, if different from above

Check appropriate box:  Individual/Sole proprietor  Corporation  Partnership  
 Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ .....  Exempt payee  
 Other (see instructions) ▶

Address (number, street, and apt. or suite no.)  
**2923 Smith Road**

City, state, and ZIP code  
**Farlawn, Ohio 44333**

List account number(s) here (optional)

Requester's name and address (optional)

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
or
Employer identification number
<b>34</b> ; <b>1877137</b>

## Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here

Signature of U.S. person ▶

*Andrew W. Lupton*  
TREASURER - CFO

Date ▶

1-26-09

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

### Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity.



**Certificate of Deposit Account Registry Service® (CDARS®)**  
**Customer Request for Account Placement**



Account Title: <i>Centine Federal Corporation</i>	
Contact (for non-personal accounts): <i>[Redacted]</i> <i>b(6)</i>	
Customer Class: <input type="checkbox"/> Individual / Joint / Revocable Trust <input type="checkbox"/> Estate / Irrevocable Trust <input checked="" type="checkbox"/> Corporation / Limited Liability Corp <input type="checkbox"/> Partnership / Limited Liability Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Non-Profit Institution <input type="checkbox"/> Clubs and Associations <input type="checkbox"/> Public Entity <input type="checkbox"/> Foreign Government <input type="checkbox"/> Savings Bank / Credit Union <input type="checkbox"/> Other Bank	
Street Address: <i>2423 Smith Rd</i>	
City / State / Zip: <i>Fairfax VA 44333</i>	
Telephone Number: <i>[Redacted]</i> <i>b(6)</i>	U.S. Citizen: <input type="checkbox"/> Yes <input type="checkbox"/> No If No, country of citizenship _____
Email Address: <i>[Redacted]</i>	
Tax ID Number(s): <i>34-1877137</i>	Type: <input type="checkbox"/> SSN <input checked="" type="checkbox"/> TIN <input type="checkbox"/> Non-Resident SSN <input type="checkbox"/> Non-Resident without TIN
Source of Funds: <input type="checkbox"/> Available funds <input checked="" type="checkbox"/> Wire <input type="checkbox"/> Reinvestment of Principal / Interest <input type="checkbox"/> Other _____	
Account to be Used: <input type="checkbox"/> Checking <input type="checkbox"/> Money Market <input type="checkbox"/> Savings Account # _____ <input type="checkbox"/> Other _____	

**Order Information:**

One-Way Sell? <input type="checkbox"/> Yes <input type="checkbox"/> No	IRA? <input type="checkbox"/> Yes <input type="checkbox"/> No	Amount \$ <i>7,225,000.00</i>
Date to be placed: <i>1/21/2009</i>		Annual Interest Rate: _____ and / or APY: <i>1.15</i>
Term <sup>2</sup>	<input checked="" type="checkbox"/> 4 Weeks <input type="checkbox"/> 13 Weeks <input type="checkbox"/> 26 Weeks <input type="checkbox"/> 52 Weeks	<input type="checkbox"/> 2 Years (104 weeks) <input type="checkbox"/> 3 Years (156 weeks) <input type="checkbox"/> 5 Years (260 weeks)
Interest Payment Frequency:	<input type="checkbox"/> Month End <input type="checkbox"/> Quarter End <input type="checkbox"/> Semiannual <input type="checkbox"/> Year End	<input checked="" type="checkbox"/> At Maturity <sup>3</sup>
Interest Paid via:	<input checked="" type="checkbox"/> Credit to Principal <input type="checkbox"/> Check <input type="checkbox"/> Transfer	Account #: _____
Reinvest? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Reinvestment Amount? <input type="checkbox"/> Principal <input checked="" type="checkbox"/> Principal & Interest <input type="checkbox"/> Other	
Maturity Disbursement Type:	<input type="checkbox"/> Check <input type="checkbox"/> Transfer	Term? <input checked="" type="checkbox"/> 4 Weeks <input type="checkbox"/> 13 Weeks <input type="checkbox"/> 26 Weeks <input type="checkbox"/> 52 Weeks <input type="checkbox"/> 2 Years <input type="checkbox"/> 3 Years <input type="checkbox"/> 5 Years
Account #: _____		

**Additional Information:**

<sup>1</sup>Funds may be submitted for placement only after entering into a Deposit Placement Agreement with us. <sup>2</sup>Early withdrawal penalties will be imposed by the institution that issued the CD and are as follows: 4 Weeks, 28 Days of simple interest; 13 Weeks, 90 Days of simple interest; 26 Weeks, 90 Days of simple interest; 52 Weeks, 180 Days of simple interest; 2 years, 360 days of simple interest; 3 years, 540 days of simple interest; 5 years, 900 days of simple interest. An early withdrawal penalty may invade principal. No penalty will be charged for early withdrawal of a CD upon the death of an owner an individual who is the sole or joint owner of the CD. <sup>3</sup>At Maturity interest option is available only on CDs 52 Weeks and shorter.

CDs are issued and mature on **Thursdays each week**. If Thursday is a holiday, activities move to Friday.

**Customer Exclusions:**

Bank: <i>CF Bank</i>	TRN: <i>[Redacted]</i> <i>b(4)</i>	City, State: <i>Fairfax VA 44333</i>

*Shirley Ann Lewis* *1-20-09*  
 Signature Date

\_\_\_\_\_  
 Signature Date

# CDARS Deposit Placement Agreement

You, the undersigned, and  
NCB, FSB

(referred to in this agreement as "we" and "us") are entering into this agreement to set forth the terms and conditions under which we will assist you from time to time in placing your funds in time deposits with depository institutions (each an "Insured Institution") whose accounts are insured by the Federal Deposit Insurance Corporation ("FDIC"). Through an arrangement with Promontory Interfinancial Network, LLC ("Network"), we will endeavor to place your funds in time deposits ("CDs") issued by Insured Institutions through the Network's Certificate of Deposit Account Registry Service<sup>®</sup>, or CDARS<sup>®</sup>, in principal amounts that, when aggregated with interest to accrue over the term of the CD, will not exceed the \$100,000 FDIC insurance limit for deposits of one depositor at one Insured Institution, or such other insurance limit as Congress and the FDIC may establish. We will also act as your custodian with respect to your CDs pursuant to the custodial agreement that we have separately entered into with you ("Custodial Agreement"). The terms of our custodial relationship with you are set forth in the Custodial Agreement. Funds held in an account with us pending placement through CDARS or resulting from payments on CDs are subject to the FDIC insurance limits applicable to your deposits with us.

CDARS includes a proprietary process owned by the Network that allocates orders submitted by member financial institutions on behalf of their depositors on dates specified by the Network. On each "Order Date" member institutions submit orders requesting the Network to (i) place funds for their depositors with Insured Institutions that are willing to accept deposits through CDARS or (ii) if the member institution is an Insured Institution, receive funds so placed by other member institutions. On the "Order Allocation Date" the Network allocates orders submitted on the Order Date. CDARS offers different types of transactions through which we may place your funds with such Insured Institutions. In a "CDARS Reciprocal Transaction," we receive through CDARS funds for deposit in an amount equal to the amount of your funds that we have placed through CDARS with respect to the corresponding Order Date, but we do not receive a fee. In a "CDARS One-Way Transaction," we do not receive funds for deposit through CDARS, but we receive a fee from one or more Insured Institutions that received deposits through CDARS with respect to the corresponding Order Date. Funds that we submit for placement for you through a CDARS transaction may be placed at an Insured Institution without regard to whether the Insured Institution is participating in CDARS on that Order Date through a CDARS Reciprocal Transaction or through a CDARS One-Way Transaction or otherwise. We will place your funds through a CDARS Reciprocal Transaction unless we notify you that we will place your funds through a CDARS One-Way Transaction and you agree to our doing so.

This agreement sets forth important information about the placement process. By signing this agreement you agree to be bound by its terms each time that you submit funds to us for placement. Please read it carefully. Some of the features of the CDs and the placement process are:

When we place your funds, you will be issued CDs by Insured Institutions that have entered into agreements with the Network.

- We will act as your custodian with respect to those CDs.
- The CDs issued to you by Insured Institutions will have the interest rates and annual percentage yields ("APY") you have agreed to with us.
- You will not be charged a fee in connection with CD placements.
- You may select the maturities and payment terms of your CDs from those that are available through CDARS at the time that you submit your funds for placement.
- You may designate any Insured Institution as ineligible to receive your funds.
- Early withdrawal of any CD you purchase may be available, but may be subject to substantial penalties.

## Section 1. Your Relationship With Us

### (a) Agency and Custodial Relationship

We have entered into a contract with the Network pursuant to which we will endeavor to place your funds at other Insured Institutions that have also entered into contracts with the Network. Pursuant to our contract with the Network, we will adhere to the Network's policies and procedures in placing your funds.

We will act as your agent in connection with the placement of your funds in CDs. On certain Order Dates, we may have the opportunity to place your funds through either a CDARS Reciprocal Transaction or a CDARS One-Way Transaction. Although we will act as your agent in connection with the placement of your funds, we are

not acting as your investment adviser and have no obligation to advise you of alternative investments available through CDARS or otherwise. Further, we make no representations with respect to the interest rates on deposits available on an Order Date through us or through CDARS, and we may receive greater benefits when we place your funds through one type of CDARS transaction than when we do so through another type of CDARS transaction or than we would if you instructed us to make a deposit other than through a CDARS transaction.

We will act as your custodian with respect to your CDs acquired through CDARS. We have entered into an agreement with The Bank of New York to act as our sub-custodian with respect to the CDs for which we are acting as your custodian. No physical certificates evidencing the CDs will be issued. Each CD for which we act as your custodian will be recorded on the records of the Insured Institution that issues the CD in the name of our sub-custodian, will be recorded on the records of the sub-custodian in our name, and will be recorded on our records in your name, all in a manner that will permit FDIC deposit insurance to "pass through" to you as the beneficial owner of the CD. You will receive from us a written confirmation of the issuance of your CDs and periodic account statements that will reflect your ownership of your CDs. The confirmation of CD issuance and the account statement(s) will be the only evidence that you will receive of your ownership of the CDs. You should retain the confirmation and the account statement(s) for your records.

While we are acting as your custodian, (i) all payments with respect to the CDs by the Insured Institutions that issue the CDs will be made to us, and we will credit the funds to an account or accounts you maintain with us or disburse the funds pursuant to your instructions, and (ii) you can enforce your rights in the CDs through us. You may not transfer the CDs directly to another custodian. At your election, you may dismiss us as custodian, and your ownership of a CD may be recorded in your name on the books of the Insured Institution that issued the CD. If you choose to have the CD maintained in your name on the books of the Insured Institution that issued the CD, you will be able to enforce your rights in the CD directly against that Insured Institution.

### (b) Fees

You will not pay a fee in connection with your placement of funds. If we place your funds through a CDARS Reciprocal Transaction, we will pay a fee to the Network for using the CDARS order allocation services and certain other services. If we place your funds through a CDARS One-Way Transaction, we and the Network will receive a fee from one or more Insured Institutions receiving deposits through CDARS in respect of that Order Date. We may, in our discretion, waive some or all of our fee, and the Network may, in its discretion, waive some or all of its fee. We and the Network may receive different fees from different Insured Institutions. The Network may offer us and our employees non-cash incentives in connection with our placement of funds through CDARS.

If you have been referred to us by a registered broker-dealer to place your funds through CDARS, we may pay a fee to that registered broker-dealer.

### (c) Limits on Placements

Although we, through our arrangement with the Network, will endeavor to place your funds, on a particular Order Allocation Date the Network may not be able to allocate orders in a way that results in the placement of some or any of your funds. If any of your funds cannot be placed, the unplaced funds will be returned to you. You may ask us to resubmit unplaced funds for placement through CDARS on another day on which the Network performs its allocation service.

### (d) Each CD Will Be an Obligation of the Issuer

Each CD will be a deposit obligation of the Insured Institution that issued the CD. Each CD will constitute a direct obligation of the Insured Institution that issued it and will not be, either directly or indirectly, our obligation or an obligation of the Network. Your CD will not be issued until the issuing Insured Institution receives and accepts your funds.

### (e) APY

If you are not a "consumer" for purposes of the Truth-in-Savings Act ("TSA"), or if our communication with you in connection with your placement of funds through CDARS is not an "advertisement" for purposes of TSA, we are not obligated to provide you with an APY on your CDs.

### (f) Mutual Institution Voting and Subscription Rights

If a CD is issued to you by an Insured Institution in the mutual form of organization ("mutual institution") for funds placed for you through CDARS, you may receive through us a notice of a meeting of the depositor members of that mutual institution. Because your CD is identified on the books of the mutual institution in the name of

the sub-custodian and not in your name, you will not be entitled to attend the meeting or vote by proxy. Under agreements that we have entered into with the sub-custodian that holds your CDs in its name on your behalf, the sub-custodian will forward meeting notices to us (for delivery to you) but it will not attend the meeting or vote by proxy.

It is possible that the mutual institution also may send notice of its intention to convert to a stock institution, and provide for priority, non-transferable subscription rights for depositor members of the mutual institution to purchase stock in the conversion. Because of the nature of our agreement with the sub-custodian, your CD will be identified on the books of the mutual institution in the name of the sub-custodian, and not in your name, and thus, you will not be entitled to exercise any subscription right to purchase the stock, or to vote on the conversion. The sub-custodian, which will own the subscription right, also will not purchase any stock in the conversion.

Accordingly, if you wish to receive meeting notices directly, attend meetings and vote (to convert from the mutual to stock form of ownership, form a mutual holding company or otherwise) with respect to a CD you have acquired from a mutual institution through CDARS, or wish to receive subscription rights in the event the mutual institution converts from mutual to stock form, you will have to dismiss us as custodian prior to the applicable record date (a date usually at least a year in advance from the date the mutual institution's board of directors adopts a plan of conversion) and have your ownership of the CD recorded in your name directly on the books of the mutual institution that issued the CD.

## Section 2. The Network

### (a) General

The Network is not your agent and is responsible solely to us for performing the services for which we have retained it. The Network uses the proprietary process included in CDARS to allocate orders submitted on a specified Order Date by Insured Institutions to other Insured Institutions that are willing to accept deposits through CDARS.

On an Order Allocation Date, the Network uses the CDARS allocation process to propose placements of funds with Insured Institutions wishing to receive funds, subject to your approval as set forth in the procedures set forth in Section 3 of this agreement ("Placement Procedures"). CDs for funds placed through CDARS will be issued to you on the business day immediately following the Order Allocation Date (the "Settlement Date"). A "business day" means any day other than a Saturday, a Sunday or a day on which banks in New York, New York are authorized or required by law or regulation to close.

### (b) CDARS Reciprocal Transaction

When we notify the Network that we wish to submit your funds for placement through a CDARS Reciprocal Transaction on an Order Date, we will agree to accept for deposit an equal or greater amount of deposits through CDARS. On the Settlement Date, CDs will be issued to you and we will accept deposits placed by other member institutions.

Your funds may be placed at Insured Institutions that are submitting funds for placement through a CDARS Reciprocal Transaction or at Insured Institutions that have requested deposits through CDARS with respect to the same Order Date. The Network, in addition to fees payable to it, may realize profits or incur losses in connection with the placement of your funds at one or more of those Insured Institutions on the terms you have agreed to with us.

When your funds are placed through a CDARS Reciprocal Transaction, we may make or receive payments based upon the difference between the interest rate we have agreed upon with you for your CDs and the interest rate we pay on CDs that we issue to customers of other Insured Institutions. These payments will be calculated pursuant to a formula that uses the projected volume-weighted average interest rate for deposits placed through CDARS Reciprocal Transactions on the same day your funds are placed. These payments are intended to provide us with the same interest cost on the CDs we issue to depositors of other Insured Institutions through a CDARS Reciprocal Transaction as we would have incurred had we issued the CDs directly to you.

Any profits or losses realized by the Network and any payments made or received by us will not change the terms we have agreed with you for your CDs.

### (c) CDARS One-Way Transaction

On any Order Date, the Network may receive commitments from Insured Institutions wishing to receive funds through a CDARS One-Way Transaction. Based on these commitments, the Network communicates to us the maximum amount of funds that can be submitted for placement through CDARS One-Way Transactions in each CD maturity on that Order Date.

If we place your funds through a CDARS One-Way Transaction, we will not receive deposits on the Settlement Date, and we will not make or receive payments

as described under "CDARS Reciprocal Transactions" above. Your funds may be placed at Insured Institutions that are submitting funds for placement through CDARS Reciprocal Transactions or that have requested funds for deposit on that Order Date. As set forth above, we and the Network each will receive a fee when we place your funds through a CDARS One-Way Transaction, and we or the Network may waive all or part of this fee. Any fees received by us or the Network will not change the terms we have agreed to with you for your CDs.

## Section 3. Placement Procedures

### (a) Order Dates and Terms of CDs

Each time you notify us that you wish to place funds through CDARS, we will inform you of (i) the available Order Dates, (ii) the CD maturities and payment terms available on each Order Date, (iii) whether early withdrawal of the CDs is available and whether any penalties (and processing fees, if applicable) will be imposed on you for early withdrawal, (iv) any limits with respect to placing funds and (v) whether we intend to submit the funds for placement through a CDARS One-Way Transaction. The terms and conditions available for CDs may change from time to time. Each CD issued by an Insured Institution will have a principal amount that, when aggregated with interest to accrue during the term of the CD, will not exceed the FDIC insurance limit. You may obtain information about the terms of the CDs made available through CDARS on an Order Date at [www.CDARS.com/products](http://www.CDARS.com/products).

The interest rates and APYs for the CDs we offer to obtain for you through CDARS will be agreed upon by you and us. For placements through CDARS Reciprocal Transactions, the interest rate and APY we agree upon with you will reflect the interest rate and APY we are willing to pay on comparable deposits that we accept on the same day CDs are issued to you. For placements through CDARS One-Way Transactions, the interest rate and APY we agree upon with you will reflect the interest rate and APY that Insured Institutions requesting funds through CDARS One-Way Transactions for that Order Date are willing to pay after paying fees to the Network and us.

Interest on your CDs will compound daily. Payment options may vary based on the maturity of the CD. You may have the option with some CDs to choose between monthly payments of interest and payment of interest at maturity or other available interest payment terms. In addition, depending on the terms and conditions of a particular CD, you may be able to change the payment terms of the CD during the term of the CD. If you choose to have interest paid to you during the term of the CD, you may not be able to re-invest the interest you are paid at an interest rate as favorable to you as the interest rate paid on the CD.

Each CD will earn interest from the day your funds are deposited at the Insured Institution that issues the CD up to, but not including, the day your CD matures. If the date on which a payment with respect to a CD is due is not a business day, that payment will be made on the next business day.

### (b) Presumption of CDARS Reciprocal Transaction

We will submit your funds for placement through a CDARS Reciprocal Transaction unless we inform you that we will place your funds through a CDARS One-Way Transaction and you agree to our doing so. If we submit your funds for placement through a CDARS One-Way Transaction and the Network is not able to allocate our order, we may resubmit an order for your funds on that Order Date through a CDARS Reciprocal Transaction, unless you instruct us not to do so at the time you request that we submit your funds. If we so resubmit your funds through a CDARS Reciprocal Transaction, the CDs issued to you will have the same terms as the CDs that would have been issued to you through the CDARS One-Way Transaction.

If you are a public funds depositor or a non-profit institution submitting funds for placement and wish your funds to be placed only through CDARS Reciprocal Transactions, please inform us by checking the box at the end of this agreement.

### (c) List of Insured Institutions

Each time you notify us that you desire to place funds through CDARS, you may obtain from us a list of Insured Institutions at which your funds may be placed. Not all of these Insured Institutions may be available to issue CDs with respect to an Order Date, and, before the list is provided to you, we may have designated some Insured Institutions as ineligible to receive funds from our depositors. You should review the list provided to you and inform us of the name(s) of any Insured Institution(s) at which you do not want to make a deposit, for any reason. At your option, you may also provide us with the names of Insured Institutions not then on the list at which you do not want to make a deposit. Once you have informed us of the name of an Insured Institution at which you do not want to make a deposit, your funds -- whether submitted for placement through CDARS at the time you sign this agreement or in the future -- will not be placed at that Insured Institution until you notify us in writing that funds may be placed in the Insured Institution. (For your convenience, at the time you sign this agreement you may indicate to us on Schedule 1 the names of Insured Institutions at which you do not want to make a deposit.) Upon

your request, we will obtain from the Network the list it maintains of Insured Institutions at which you do not wish to make a deposit. As set forth below, you are responsible for monitoring your deposits at each Insured Institution for purposes of FDIC insurance coverage.

**(d) Request for Placement of Funds**

When you request that we place your funds through CDARS, we will submit to the Network a request for placement of your funds ("Order"), including the type of CDARS transaction through which we are submitting the funds, the Order Date, the amount of funds to be placed and the terms (including interest rate and APY) of the CDs you are seeking. The Order will be in a form established by the Network. In order for us to submit an Order, you must provide us with all information required by the Network no later than the time specified in paragraph 1 of Schedule 2.

**(e) Approval of Proposed Placements**

We will not know the name(s) of Insured Institution(s) at which your funds will be placed at the time we submit an Order for your funds. On each Order Allocation Date for which we submitted an Order for your funds, we will make available to you a list of the names of Insured Institutions at which your funds are proposed to be placed, the proposed deposit amount at each Insured Institution and the names of proposed alternate insured Institutions at which your funds may be placed. You may obtain that list from us on the Order Allocation Date at or after the time specified in paragraph 3 of Schedule 2, and, at any time prior to the time specified in paragraph 4 of Schedule 2, you may notify us of the name or names of any of the proposed or proposed alternate Insured Institutions at which you do not want to make a deposit. Although you may direct us not to place funds at a proposed or alternate proposed Insured Institution, you cannot direct us to place funds at a specific Insured Institution or specify the amount to be placed at any Insured Institution.

If you eliminate one or more of the proposed or proposed alternate Insured Institutions from the list, or if one or more of them becomes unavailable for placement for any reason, your funds will be placed at the Insured Institutions that were not eliminated. If a sufficient number of proposed and proposed alternate Insured Institutions are eliminated or become unavailable so that not all of your funds can be placed, only as much of your funds will be placed as can be accommodated at the remaining Insured Institutions in CDs with principal amounts that, when aggregated with interest to accrue during the term of the CD, will not exceed the FDIC insurance limit. Your remaining funds will not be allocated on the Order Allocation Date. In such case, we will inform you of the amount of your funds that will not be placed and you may request that we resubmit an Order for your unplaced funds on another Order Date by repeating the procedure outlined above.

If in connection with any placement of your funds through CDARS, you eliminate a proposed or proposed alternate Insured Institution in accordance with the above procedures, funds that you subsequently submit for placement through CDARS will not be placed in those Insured Institutions until you notify us otherwise in writing.

**(f) Your Consent to Placement**

Your funds will not be placed unless you have consented to their placement. You will be deemed to have consented to the placement of your funds at the proposed or proposed alternate Insured Institutions as of the time specified in paragraph 4 of Schedule 2 if by that time you:

- (i) communicate your approval to us;
- (ii) do not request the list of proposed and proposed alternate Insured Institutions from us;
- (iii) request the list of proposed and proposed alternate Insured Institutions from us, but do not respond to the proposed list; or
- (iv) respond to the list of proposed and proposed alternate Insured Institutions by eliminating one or more of the Insured Institutions, in which case you will be deemed to have consented to the placement of your funds at those Insured Institutions that you have not eliminated.

**(g) Time by Which We Must Have Your Funds; Settlement of Transactions**

Unless we have made other arrangements, each time that you agree to a placement of funds under this agreement you also agree that, by the time specified in paragraph 5 of Schedule 2, you will have in an account with us immediately available funds, which under applicable law are irreversible and are not subject to any lien, claim or encumbrance, equal to the amount of funds you have informed us that you are seeking to place. On the Settlement Date, your funds will be deposited at Insured Institutions, payments to be made in connection with the placement of CDs will be made, and the CDs will be issued.

**(h) Additions and Early Withdrawal**

No additions may be made to any CD. Insured Institutions generally impose a penalty on withdrawal of a CD prior to its maturity. However, no penalty will be charged for early withdrawal upon the death of the sole account holder of a CD. Written verification acceptable to the Insured Institution that issued the CD may be required in

such an event. We will inform you of the early withdrawal penalty applicable to your CDs when you submit funds for placement.

Pursuant to the Internal Revenue Code of 1986, as amended, the beneficiary of an Individual Retirement Account ("IRA") (but not a Roth IRA) may incur a penalty if the beneficiary does not begin making withdrawals from the IRA after age 70-1/2. A CD held in an IRA is not eligible for early withdrawal without penalty simply because the beneficiary must withdraw the CD to avoid a tax penalty.

Early withdrawal of a CD may be made only in whole, not in part. You may request early withdrawal by contacting us, at which time you may specify which of your CDs you would like us to withdraw. If you choose not to specify which of your CDs to withdraw, early withdrawals will be made in accordance with Network procedures. In general, early withdrawal proceeds will be available to you two business days after we receive your early withdrawal request.

Neither we nor the Network will advance funds in connection with early withdrawals, and early withdrawal proceeds will not be available to you until they are paid to us by the Insured Institution that issued the CD being withdrawn.

**(i) No Automatic Renewal or Rollover**

The CDs will mature on the date shown on the confirmation of CD issuance. Upon maturity, the principal amount of, and unpaid accrued interest on, the CD will be paid to you. The CDs will not be automatically renewed or rolled over, and interest on the CDs will not continue to accrue after the maturity date. If upon maturity you wish to re-deposit your funds in CDs through CDARS, you must instruct us to re-submit the funds as a new placement or you must take advantage of our preauthorized re-submission process.

**(j) Preauthorized Re-submission**

At the time you submit funds to us for placement through CDARS, you may request that we re-submit those funds for placement through CDARS upon the maturity of your CDs. Unless we have entered into a written arrangement with you, you must contact us before we re-submit your funds through CDARS to establish the new terms (including interest rate and APY) and the other specifics of your Order for your re-submitted funds.

**(k) No Physical Certificates**

As set forth in Section 1, no physical certificate evidencing a CD will be issued. You should not purchase a CD through CDARS if you need to take physical possession of a certificate.

**Section 4. Important Considerations**

**(a) Compare Features**

You should compare the rates of return and other features of a CD to other available deposit accounts before deciding to purchase CDs using the CDARS service. Although the CDs are issued by other Insured Institutions, the rates of interest paid on the CDs are determined by us based on (i) the interest rates and APY's we are willing to pay on deposits that we accept through CDARS on the Settlement Date (if your funds are placed by us through a CDARS Reciprocal Transaction) or (ii) the interest rate and APY that Insured Institutions that have requested funds through CDARS One-Way Transactions for that Settlement Date are willing to pay after paying fees to the Network and us (if your funds are placed by us through a CDARS One-Way Transaction). These rates may be higher or lower than the rates on CDs available through a CDARS One-Way Transaction (if we are placing your funds through a CDARS Reciprocal Transaction) or a CDARS Reciprocal Transaction (if we are placing your funds through a CDARS One-Way Transaction) or on comparable deposits available directly from us, from Insured Institutions that issue the CDs through CDARS, from other Insured Institutions, or from insured depository institutions not participating in CDARS.

**(b) Uninsured Deposits With Us**

Funds held in an account with us prior to placement through CDARS and payments of CD interest and principal that are deposited in an account with us may not be covered by FDIC insurance if, when aggregated with other deposits you maintain with us in the same capacity, the total amount of your deposits in accounts with us exceeds the FDIC insurance limit. You should discuss with us the options for holding your funds prior to placement and for having the payments on the CDs deposited with us or elsewhere.

**(c) Insolvency of an Insured Institution**

In the event an Insured Institution approaches insolvency or becomes insolvent, the Insured Institution may be placed in a regulatory conservatorship or receivership in which the FDIC is typically appointed as conservator or receiver. The FDIC may thereafter pay off the CDs issued by that Insured Institution prior to maturity or transfer the CDs to another insured depository institution. If the CDs are transferred to another institution, you may be offered a choice of retaining the CDs at a lower interest rate or having the CDs paid off. See Section 5 below, "FDIC Insurance Information."

#### (d) Reinvestment Risk

if your CD is paid prior to maturity as a result of the issuing Insured Institution's insolvency or a voluntary early withdrawal (see Section 3(h) above, "Additions and Early Withdrawal"), you may not be able to reinvest your funds at the same interest rate that you received on the original CD. Neither we nor the Network is responsible to you for any losses you may incur as a result of a lower interest rate on an investment replacing your CD.

#### (e) Investment Restrictions

If you are subject to restrictions with respect to the placement of funds in depository institutions, it is your responsibility to determine whether the placement of your funds through CDARS satisfies those restrictions.

### Section 5. FDIC Insurance Information

In general, all accounts and deposits that you maintain with an Insured Institution in the same insurable capacity (whether you are acting directly or through an intermediary) would be aggregated for purposes of the FDIC insurance limit. Insurable capacities include individual accounts, joint accounts and individual retirement accounts. Upon request, we will provide you with a copy of the FDIC brochure "Questions and Answers About Your Insured Deposit From the Federal Deposit Insurance Corporation." You may also obtain information about deposit insurance coverage by contacting the FDIC, Office of Consumer Affairs, by letter (550 17th Street, N.W., Washington, D.C. 20429), by telephone (877-275-3342, 800-925-4618 (TDD) or 202-942-3100), or by e-mail (dcainternet@fdic.gov), or by visiting the FDIC website at www.fdic.gov. You may wish to seek advice from your own attorney concerning FDIC insurance coverage of deposits held in more than one capacity.

The present maximum \$100,000 FDIC deposit insurance coverage applies to the principal and accrued interest on all CDs and other deposit accounts maintained by you in the same insurable capacity at a single Insured Institution. The records maintained by the Insured Institution, us and our sub-custodian regarding ownership of CDs will be used to establish your eligibility for federal deposit insurance payments in respect of CDs issued through CDARS. In addition, you could be required to provide certain documentation to the FDIC before insurance payments would be released to you.

In the event that deposit insurance payments become necessary for your CDs, the FDIC is required to pay the original principal amount plus accrued interest to the date of the closing of the relevant Insured Institution, as prescribed by law, subject to the maximum coverage limitation. No interest is earned on deposits from the time an Insured Institution is closed until insurance payments are received. We will notify you if we receive any payments from the FDIC with respect to your CDs.

As an alternative to a direct deposit insurance payment from the FDIC, the FDIC may transfer the insured deposits of an insolvent institution to a healthy institution. Subject to insurance verification requirements and the limits on FDIC deposit insurance coverage, the healthy institution may assume your CDs under their original terms or offer you a choice between either receiving payment of the CDs or maintaining the deposits at a different rate. We will advise you of your options in the event of a deposit transfer.

As with all federally insured deposits, if it becomes necessary for federal deposit insurance payments to be made on the CDs, there is no specific time period during which the FDIC must make the insurance payments available. Neither we nor the Network will be obligated to make any payments to you in satisfaction of a loss you might incur as a result of (i) a delay in insurance payouts applicable to a CD, (ii) your receipt of a decreased interest rate on an investment replacing a CD that is repaid prior to its scheduled maturity, or (iii) payment in cash of the principal and accrued interest of a CD prior to maturity in connection with the liquidation of an Insured Institution or the assumption of all or a portion of its deposit liabilities. Also, neither we nor the Network will be obligated to advance funds to you prior to payment from the FDIC.

### Section 6. Total Amount of Your Deposits at Insured Institutions; Publicly Available Information

Funds we submit for placement on your behalf on any Settlement Date are placed in CDs at enough different Insured Institutions to prevent the principal amount and any interest to accrue over the term of each CD placed on that Settlement Date from exceeding the \$100,000 FDIC insurance limit. It is your responsibility, however, to monitor the total amount of deposits that you hold with each Insured Institution in order for you to determine the extent of FDIC deposit insurance coverage available to you on deposits at that Insured Institution, including the CDs issued through CDARS. See Section 5 above, "FDIC Insurance Information," for more information on FDIC insurance coverage. The Insured Institution at which a deposit is made is responsible for the full amount deposited with it, and neither we nor the Network is responsible for any insured or uninsured portion of any CD or any other deposits.

Publicly available financial information concerning the proposed and proposed alternate Insured Institutions can be obtained by you at the website of the National Information Center of the Federal Reserve System maintained at www.iffiec.gov/nic/. Neither we nor the Network guarantees the financial condition of any Insured Institution or the accuracy of any publicly available financial information about the Insured Institution.

### Section 7. Confidentiality of Information

We will provide your name, tax identification number and other pertinent identifying information to the Network and other parties providing services in connection with the placement of your funds and the issuance and holding of your CDs. We may also release such information to (i) an Insured Institution that has issued a CD to you, but only to the extent necessary to comply with any applicable law, rule or regulation or a judicial order and (ii) the FDIC in connection with a claim for deposit insurance on your CD. You hereby consent to the release of that information to and its use by (a) the Network and other parties providing services in connection with the placement of your funds and the issuance and custodial services of your CDs, (b) Insured Institutions that have issued CDs to you to the extent necessary to comply with any applicable law, rule, regulation or judicial order, and (c) the FDIC in connection with a claim for deposit insurance on your CDs. The information will not be disclosed to other Insured Institutions except as set forth herein and will not be used by the Network or any other parties to whom we release the information for any other purpose except as set forth herein or directed by you.

### Section 8. Disputes

Any disputes arising out of or in connection with this agreement will be governed by the dispute resolution, arbitration, choice of law, venue, waiver of jury trial, and costs related to dispute provisions, if any, contained in your Custodial Agreement with us under which we act as custodian for your CDs.

### Section 9. Miscellaneous

Any information we are required to deliver to you pursuant to this agreement may be given to you by mail, facsimile or other electronic transmission.

This agreement:

- constitutes the entire agreement between us relating to the placement of deposits through CDARS and the other matters contained herein,
- supersedes all prior contracts or agreements relating to the placement of funds through CDARS, whether oral or written, and
- may not be amended by any oral representation made or oral agreement reached after the execution of this agreement.

We may amend this agreement or any related document by modifying or rescinding any of its existing provisions or by adding any new provisions at any time by sending written notice of the amendment to you. We may provide written notice of an amendment to this agreement by means of a letter, an entry on your account statement or other means. Any amendment will be effective as of the date established by us in the amendment, subject to applicable law.

This agreement is not assignable, in whole or in part, by either party except by operation of law or as required by law.

The headings in this agreement are inserted for convenience and identification only, and are not intended to describe, interpret, define or limit the scope or intent of this agreement or any clause hereof.

By signing below, you acknowledge that you have received this agreement, that you have read and understood this agreement and that you were given the opportunity to ask us any questions you may have had with respect to this agreement, the transactions contemplated by it, the CDs and FDIC insurance coverage of the CDs and deposits maintained with us.

### Notice to Texas Residents

Each time we place funds for you through the Network you are representing to us, the Network and each Insured Institution that is issuing CDs to you that your deposits with each Insured Institution issuing CDs to you (including the CDs and all deposits held directly by you or through other agents or custodians), when aggregated in accordance with FDIC regulations, are within the FDIC insurance limit applicable to you.

Check this box if you are a public funds depositor or a non-profit institution submitting funds for placement and wish your funds to be placed only through CDARS Reciprocal Transactions.

DEPOSITOR(S)

Name of Depositor: \_\_\_\_\_

By: Theresa A. Luthkus

Name: Theresa A. Luthkus

Title: Assistant CFO

Depositor Tax ID or Other Depositor ID: 34-1817137

ID Type: \_\_\_\_\_

Name of Depositor: \_\_\_\_\_

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

Name:

Title:

Depositor Tax ID or Other Depositor ID: \_\_\_\_\_

ID Type: \_\_\_\_\_

Signed this 20<sup>th</sup> day of Jan, 2009

DEPOSITORY INSTITUTION

(Print Name of institution) \_\_\_\_\_

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

Name:

Title:

Acknowledged this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_

SCHEDULE 1

INITIAL LIST OF INSURED INSTITUTIONS AT WHICH YOU DO NOT WANT TO MAKE A DEPOSIT (ATTACH ADDITIONAL PAGES AS NECESSARY)

CF Bank Fairfax, VA  
Name of Institution City and State

\_\_\_\_\_  
Name of Institution City and State

\_\_\_\_\_  
Name of Institution City and State

\_\_\_\_\_  
Name of Institution City and State

\_\_\_\_\_  
Name of Institution City and State

\_\_\_\_\_  
Name of Institution City and State

\_\_\_\_\_  
Name of Institution City and State

SCHEDULE 2

IMPORTANT TIMES AND DEADLINES IN CONNECTION WITH THE PLACEMENT OF YOUR FUNDS

This schedule contains important times and deadlines with respect to the placement of your funds. These times may change from time to time or on any particular Order Date or Order Allocation Date (which are currently the same business day), and we will inform you of any change in times, as applicable, before you submit your funds for placement. You may also obtain information about any changes to times set forth in paragraphs 2, 3 and 4 below or about any scheduling change resulting in the Order Allocation Date taking place on the business day immediately following an Order Date at [www.CDARS.com/products](http://www.CDARS.com/products).

1. Time and day by which your request to have your funds placed must be submitted: 12:00 PM on Tuesday.
2. Time and day by which we must submit your Order to the Network: 1:00 p.m. ET on the Order Date.
3. Time and day at or after which you may obtain the list of names of the Insured Institutions at which your funds are proposed to be placed: 3:00 p.m. ET on the Order Allocation Date.
4. Time and day by which you must inform us of the name or names of any proposed Insured Institution at which you do not want to make a deposit: 4:00 p.m. ET on the Order Allocation Date.
5. Time and day by which we must have your available funds on account: 12:00 PM on Tuesday.

## Custodial Agreement

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You, the depository institution, may wish to use your own form of custodial agreement. The Network is providing this form of custodial agreement for your convenience. Before using this form of custodial agreement, you should ensure that this custodial agreement complies with the laws of your state. This form of custodial agreement is not designed for use with Individual Retirement Accounts ("IRAs").

In accordance with Section 8 of the CDARS Deposit Placement Agreement, you may wish to include your standard dispute resolution, arbitration, choice of law, venue, waiver of jury trial, and costs related to dispute provisions.

Please Note: A form of Custodial Agreement must accompany the Deposit Placement Agreement in order for funds to be placed through the CDARS service.

# Custodial Agreement

## GENERAL AGREEMENT FOR CUSTODY OF CERTIFICATES OF DEPOSIT - FOR INDIVIDUAL(S), TRUSTS AND BUSINESS ENTITIES

To: [Depository Institution] NCB, FSB

Please hold in safekeeping, and act as custodian with respect to, all time deposits including, but not limited to, certificates of deposit (all such time deposits will be referred to herein as "CDs") issued pursuant to the CDARS® Deposit Placement Agreement between you and the undersigned for funds of the undersigned placed through the Certificate of Deposit Account Registry Service®. It is agreed between us as follows:

For purposes of Article 8 of the Uniform Commercial Code as adopted in Washington, DC [state], you will act as the undersigned's securities intermediary with respect to, and will treat as financial assets, any CDs you hold for the undersigned.

You are authorized to collect for account of the undersigned all interest and other payments of income or principal pertaining to the CDs unless they are payable directly to the undersigned; to surrender for payment maturing CDs and those called for redemption; to endorse on behalf of the undersigned for the above purposes all checks and other instruments requiring endorsement; to cause the CDs to be registered in your name or in the name of your nominee if you consider it desirable; to deliver or transfer the CDs to another account with you as the undersigned may from time to time instruct; to receive the CDs for account of the undersigned; to place orders for the purchase of the CDs, on the instructions of the undersigned and to pay for the same provided the undersigned has funds on deposit with you or arranges to make funds available in advance for such purpose; and to execute and deliver or file on behalf of the undersigned all appropriate receipts and releases and other instruments, including whatever certificates may be required from custodians or may be necessary to obtain exemption from taxes and to name the undersigned when required for the purpose of the instrument.

Instructions may be given orally or in writing. The following are authorized to give instructions on behalf of the undersigned (check all that apply).

- The undersigned (individual or partnership).
- Any of the following individuals. (List names and legal capacities.)

- Any 1 of the following officers and their respective successors in office. (List names and their titles.)  
Mark S. Little, Chairman, President, CEO  
Ernie L. Mackay, Sr VP, General Counsel, Secretary  
Theresa A. Lutken, Treasurer, CFO

The undersigned, or the undersigned's account, is one of the following:

- Individual
- Joint
- Sole Proprietorship
- Partnership
- Corporation
- Custody (including guardian, agent, nominee or conservator)
- Payable Upon Death Account
- Irrevocable Trust
- Other

You may comply with any writ of attachment, execution, garnishment, tax levy, restraining order, subpoena, warrant or other legal process that you believe (correctly or otherwise) to be valid. You may notify the undersigned of such process by telephone, electronically or in writing. If you are not fully reimbursed for your record research, photocopying and handling costs by the party that served the process, you may charge such costs to the undersigned's account, in addition to any minimum fee you charge for complying with legal processes.

You may honor any legal process that is served personally, by mail, or by facsimile transmission at any of your offices or an office of your agent (including locations other than where the funds, records or property sought is held), even if the law requires personal delivery at the office where the undersigned's account or records are maintained.

You shall have no liability to the undersigned for any action taken or omitted by you hereunder in good faith.

The undersigned agrees to indemnify you and your nominees against, and to hold you and them harmless from, all expenses (including counsel fees), liabilities and claims arising out of the holding, delivery or transfer of the CDs and compliance with any legal process that you believe (correctly or otherwise) to be valid. The undersigned agrees to pay any service charges imposed by you on this custodial account.

This agreement may be terminated at any time at the option of either party, provided, however, that any termination by you will not become effective until the end of the term of any CD in your safekeeping at the time you notify the undersigned of your intention to terminate this agreement.

### DEPOSITOR(S)

Name of Depositor: Central Federal Corporation

By: Theresa A. Lutken  
 Name: Theresa A. Lutken  
 Title: Treasurer, CFO

Name of Depositor: \_\_\_\_\_  
 By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_

### DEPOSITORY INSTITUTION

(Print name of institution)

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

Acknowledged this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_

[NOTE: If the depositor is a corporation, the following certificate should be signed by an appropriate officer of the depositor other than one signing the form of custodial agreement.]

Ernie L. Mackay [name], Corp. Sec'y [title of office] of the above named corporation signing the foregoing agreement, hereby certify that: I am personally familiar with all instruments and records relating to the organization and operation of the corporation and the meetings and proceedings of its stockholders and all boards and committees entrusted with authority in the management of its affairs; by corporate action taken in conformity with such instruments and records and appearing from said records to be still in force, the foregoing letter of agreement was authorized to be signed and delivered on behalf of said corporation; and each of the persons signing on behalf of said corporation is the qualified holder of the office given opposite his/her signature and was authorized to sign the said letter of agreement in that capacity.

Signature: Ernie L. Mackay



Delaware  
*The First State*

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED ARE TRUE AND CORRECT COPIES OF ALL DOCUMENTS ON FILE OF "CENTRAL FEDERAL CORPORATION" AS RECEIVED AND FILED IN THIS OFFICE.

THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

CERTIFICATE OF INCORPORATION, FILED THE TENTH DAY OF SEPTEMBER, A.D. 1998, AT 12 O'CLOCK P.M.

CERTIFICATE OF AMENDMENT, CHANGING ITS NAME FROM "GRAND CENTRAL FINANCIAL CORP." TO "CENTRAL FEDERAL CORPORATION", FILED THE SEVENTH DAY OF MAY, A.D. 2003, AT 11:30 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CERTIFICATES ARE THE ONLY CERTIFICATES ON RECORD OF THE AFORESAID CORPORATION.

[SEAL]

/s/ Harriet Smith Windsor  
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 2780106

DATE: 12-02-03

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030768951

[STAMP]

**RESOLUTIONS OF THE BOARD OF DIRECTORS  
OF  
GRAND CENTRAL FINANCIAL CORP.**

Amendment of Certificate of the Incorporation

**WHEREAS**, Section 1 of the Certificate of Incorporation of Grand Central Financial Corp. (the "Company"), a corporation organized and existing under Delaware law, provides that the name of the corporation shall be Grand Central Financial Corp.; and

**WHEREAS**, the Board of Directors of the Company adopted a resolution setting forth a proposed amendment to the Company's Certificate of Incorporation whereby the Company's name as it appears in Section 1, of the Certificate of Incorporation would be changed from Grand Central Financial Corp. to Central Federal Corporation; and

**WHEREAS**, the Board of Directors of the Company declared it advisable to amend Section 1 of the Company's Certificate of Incorporation to change its name to Central Federal Corporation; and

**WHEREAS**, the Board of Directors of the Company directed that the proposed amendment of the Company's Certificate of Incorporation be considered at the Company's Annual Meeting of Stockholders held on April 23, 2003; and

**WHEREAS**, the Board of Directors of the Company called and held the Annual Meeting of Stockholders in accordance with the notice required by Section 222 of the General Corporation Law of the State of Delaware; and

**WHEREAS**, the stockholders of the Company duly adopted the amendment to the Company's Certificate of Incorporation at the Annual Meeting of Stockholders held on April 23, 2003 pursuant to Section 242 of the General Corporation Law of the State of Delaware as reflected in the certified copy of the Report of the Inspector of Election.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Company pursuant to Section 242 of the General Corporation Law of the State of Delaware strikes the following language contained in Section 1 of the Company's Certificate of Incorporation, the name of the Corporation is Grand Central Financial Corp. (hereinafter sometimes referred to as the "Corporation"); and

**BE IT FURTHER RESOLVED**, that the Board of Directors of the Company amends the Certificate of Incorporation pursuant to Section 242 of the General Corporation Law of the State of Delaware by replacing the above struck language in Section 1 of the company's Certificate of Incorporation with "[t]he name of the Corporation is Central Federal Corporation (hereinafter sometimes referred to as the "Corporation"); and

**BE IT FURTHER RESOLVED**, that the President and Chief Executive Officer of the Company or his designees are hereby authorized to take all necessary actions to implement this amendment to the Company's Certificate of Incorporation, including submission of such amendment to the appropriate federal and state regulatory agencies.

**CERTIFICATE**

I, David C. Vernon, President and Chief Executive Officer of Grand Central Financial Corp., hereby certify that the above resolutions were unanimously adopted by the Board of Directors of Grand Central Financial Corp. at a duly held meeting at which meeting a quorum was at all times present and acting, and that said resolutions an in full force and effect.

Dated: 5/6/03

/s/ David C. Vernon  
David C. Vernon  
President and Chief Executive Officer

[STAMP]

**CERTIFICATE OF INCORPORATION  
OF  
GRAND CENTRAL FINANCIAL CORP.**

**FIRST:** The name of the Corporation is Grand Central Financial Corp. (hereinafter sometimes referred to as the "Corporation").

**SECOND:** The address of the registered office of the Corporation in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of "Wilmington, County of New Castle. The name of the registered agent at that address is The Corporation Trust Company.

**THIRD:** The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware.

**FOURTH:**

A. The total number of shares of all classes of stock which the Corporation shall have authority to issue is seven million (7,000,000) consisting of:

1. One million (1,000,000) shares of Preferred Stock, par value one cent (\$.01) per share (the "Preferred Stock"); and
2. Six million (6,000,000) shares of Common Stock, par value one cent (\$.01) per share (the "Common Stock").

B. The Board of Directors is authorized, subject to any limitations prescribed by law, to provide for the issuance of the shares of Preferred Stock in series, and by filing a certificate pursuant to the applicable law of the State of Delaware (such certificate being hereinafter referred to as a "Preferred Stock Designation"), to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences, and rights of the shares of each such series and any qualifications, limitations or restrictions thereof. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the Common Stock, without a vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such holders is required pursuant to the terms of any Preferred Stock Designation.

- C. 1. Notwithstanding any other provision of this Certificate of Incorporation, in no event shall any record owner of any outstanding Common Stock which is beneficially owned, directly or indirectly, by a person who, as of any record date for the determination of stockholders entitled to vote on any matter, beneficially owns in excess of 10% of the then-outstanding shares of Common Stock (the

“Limit”), be entitled, or permitted to any vote in respect of the shares held in excess of the Limit. The number of votes which may be cast by any record owner by virtue of the provisions hereof in respect of Common Stock beneficially owned by such person beneficially owning shares in excess of the Limit shall be a number equal to the total number of votes which a single record owner of all Common Stock beneficially owned by such person would be entitled to cast, (subject to the provisions of this Article FOURTH) multiplied by a fraction, the numerator of which is the number of shares of such class or series which are both beneficially owned by such person and owned of record by such record owner and the denominator of which is the total number of shares of Common Stock beneficially owned by such person owning shares in excess of the Limit.

2. The following definitions shall apply to this Section C of this Article FOURTH:
  - a. “Affiliate” shall have the meaning ascribed to it in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, as in effect on the date of filing of this Certificate of Incorporation.
  - b. “Beneficial ownership” shall be determined pursuant to Rule 13d-3 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, (or any successor rule or statutory provision), or, if said Rule 13d-3 shall be rescinded and there shall be no successor rule or provision thereto, pursuant to said Rule 13d-3 as in effect on the date of filing of this Certificate of Incorporation; provided, however, that a person shall, in any event, also be deemed the “beneficial owner” of any Common Stock:
    - (1) which such person or any of its affiliates beneficially owns, directly or indirectly; or
    - (2) which such person or any of its affiliates has: (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time), pursuant to any agreement, arrangement or understanding (but shall not be deemed to be the beneficial owner of any voting shares solely by reason of an agreement, contract, or other arrangement with this Corporation to effect any transaction which is

described in any one or more of clauses 1 through 5 of Section A of Article EIGHTH of this Certificate of Incorporation ("Article EIGHTH"), or upon the exercise of conversion rights, exchange rights, warrants, or options or otherwise, or (ii) sole or shared voting or investment power with, respect thereto pursuant to any agreement, arrangement, understanding, relationship or otherwise (but shall not be deemed to be the beneficial owner of any voting shares solely by reason of a revocable proxy granted for a particular meeting of stockholders, pursuant to a public solicitation of proxies for such meeting, With respect to shares of which neither such person nor any such Affiliate is otherwise deemed the beneficial owner); or

- (3) which are beneficially owned, directly or indirectly, by any other person with which such first mentioned person or any of its Affiliates acts as a partnership, limited partnership, syndicate or other group pursuant to any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of capital stock, of this Corporation; and provided further, however, that: (1) no Director or Officer of this Corporation (or any Affiliate of any such Director or Officer) shall, solely by reason of any or all of such Directors or Officers acting in their capacities as such, be deemed, for any purposes hereof, to beneficially own any Common Stock beneficially owned by any other such Director or Officer (or any Affiliate thereof); and (2) neither any employee stock ownership or similar plan of this Corporation or any subsidiary of this Corporation, nor any trustee with, respect thereto or any Affiliate of such trustee (solely by reason of such capacity of such trustee), shall be deemed, for any purposes hereof, to beneficially own any Common Stock held under any such plan. For purposes only of computing the percentage of beneficial ownership of Common Stock of a person, the outstanding Common Stock shall include shares deemed owned by such, person through application of this subsection but shall not include any other Common Stock which may be issuable by this

Corporation, pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise. For all other purposes, the outstanding Common Stock shall include only Common Stock then outstanding and shall not include any Common Stock which may be issuable by this Corporation pursuant to any agreement, or upon the exercise of conversion rights, warrants or options, or otherwise.

- c. The "Limit" shall mean 10% of the then-outstanding shares of Common Stock.
  - d. A "person" shall include an individual, a firm, a group acting in concert, a corporation, a partnership, an association, a joint venture, a pool, a joint stock company, a trust, **an** unincorporated organization or similar company, a syndicate or any other group formed for the purpose of acquiring, holding or disposing of securities or any other entity.
3. The Board of Directors shall have the power to construe and apply the provisions of this section and to make all determinations necessary or desirable to implement such provisions, including but not limited to matters with respect to: (i) the number of shares of Common Stock beneficially owned by any person; (ii) whether a person is an affiliate of another; (iii) whether a person has an agreement, arrangement, **or** understanding with another as to the matters referred to in the definition of beneficial ownership; (iv) the application of any other definition or operative provision of the section to the given facts; or (v) any other matter relating to the applicability or effect of this section.
  4. The Board of Directors shall have the right to demand that any person, who is reasonably believed to beneficially own Common Stock in excess of the Limit (or holds of record Common Stock beneficially owned by any person in excess of the Limit) supply the Corporation with complete information as to: (i) the record owner(s) of all shares beneficially owned by such person who is reasonably believed to own shares in excess of the Limit; and (ii) any other factual matter relating to the applicability or effect of this section as may reasonably be requested of such person.
  5. Except as otherwise provided by law or expressly provided in this Section C, the presence, in person or by proxy, of the holders of



record of shares of capital stock of the Corporation entitling the holders thereof to cast a majority of the votes (after giving effect, if required, to the provisions of this Section C) entitled to be cast by the holders of shares of capital stock of the Corporation entitled to vote shall constitute a quorum at all meetings of the stockholders, and every reference in this Certificate of Incorporation to a majority or other proportion of capital stock (or the holders thereof) for purposes of determining any quorum requirement or any requirement for stockholder consent or approval shall be deemed to refer to such majority or other proportion of the votes (or the holders thereof) then entitled to be cast in respect of such capital stock.

6. Any constructions, applications, or determinations made by the Board of Directors pursuant to this section in good faith and on the basis of such information and assistance as was then reasonably available for such purpose shall be conclusive and binding upon the Corporation and its stockholders.
7. In the event any provision (or portion thereof) of this Section C shall be found to be invalid, prohibited or unenforceable for any reason, the remaining provisions (or portions thereof) of this Section shall remain in full force and effect, and shall be construed as if such invalid, prohibited or unenforceable provision had been stricken herefrom or otherwise rendered inapplicable, it being the intent of this Corporation and its stockholders that each such remaining provision (or portion thereof) of this Section C remain, to the fullest extent permitted by law, applicable and enforceable as to all stockholders, including stockholders owning an amount of stock over the Limit., notwithstanding any such finding.

FIFTH: The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its Directors and stockholders:

A. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by statute or by this Certificate of Incorporation or the Bylaws of the Corporation, the Directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

B. The Directors of the Corporation need not be elected by written ballot unless the Bylaws so provide.

C. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

D. Special meetings of stockholders of the Corporation may be called only by the Board of Directors pursuant to a resolution adopted by a majority of the Whole Board or as otherwise provided in the Bylaws. The term "Whole Board" shall mean the total number of authorized directorships (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption).

SIXTH:

A. The number of Directors shall be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the Whole Board. The Directors shall be divided into three classes, as nearly equal in number as reasonably possible, with the term of office of the first class to expire at the first annual meeting of stockholders, the term of office of the second class to expire at the annual meeting of stockholders one year thereafter and the term of office of the third class to expire at the annual meeting of stockholders two years thereafter with each Director to hold office until his or her successor shall have been duly elected and qualified. At each annual meeting of stockholders following such initial classification and election, Directors elected to succeed those Directors whose terms expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election with each Director to hold office until his or her successor shall have been duly elected and qualified.

B. Subject to the rights of holders of any series of Preferred Stock outstanding, the newly created directorships resulting from any increase in the authorized number of Directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause may be filled only by a majority vote of the Directors then in office, though less than a quorum, and Directors so chosen shall hold office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which they have been chosen expires. No decrease in the number of Directors constituting the Board of Directors shall shorten the term of any incumbent Director.

C. Advance notice of stockholder nominations for the election of Directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation shall be given in the manner provided in the Bylaws of the Corporation.

D. Subject to the rights of holders of any series of Preferred Stock then outstanding, any Director, or the entire Board of Directors, may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least 80

percent of the voting power of all of the then-outstanding shares of capital stock of the Corporation entitled to vote generally in the election of Directors (after giving effect to the provisions of Article FOURTH of this Certificate of Incorporation ("Article FOURTH")), voting together as a single class.

SEVENTH: The Board of Directors is expressly empowered to adopt, amend or repeal Bylaws of the Corporation. Any adoption, amendment or repeal of the Bylaws of the Corporation by the Board of Directors shall require the approval of a majority of the Whole Board. The stockholders shall also have power to adopt, amend or repeal the Bylaws of the Corporation; provided, however, that, in addition to any vote of the holders of any class or series of stock of this Corporation required by law or by this Certificate of Incorporation, the affirmative vote of the holders of at least 80 percent of the voting power of all of the then-outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of Directors (after giving effect to the provisions of Article FOURTH), voting together as a single class, shall be required to adopt, amend or repeal any provisions of the Bylaws of the Corporation.

EIGHT:

A. In addition to any affirmative vote required by law or this Certificate of Incorporation, and except as otherwise expressly provided in this Article EIGHTH:

1. any merger or consolidation of the Corporation or any Subsidiary (as hereinafter defined) with; (i) any Interested Stockholder (as hereinafter defined); or (ii) any other corporation (whether or not itself an Interested Stockholder) which is, or after such merger or consolidation would be, an Affiliate (as hereinafter defined) of an Interested Stockholder, or
2. any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Interested Stockholder, or any Affiliate of any Interested Stockholder, of any assets of the Corporation or any Subsidiary having an aggregate Fair Market Value (as hereinafter defined) equaling or exceeding 25% or more of the combined assets of the Corporation and its Subsidiaries; or
3. the issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of transactions) of any securities of the Corporation or any Subsidiary to any Interested Stockholder or any Affiliate of any Interested Stockholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value (as hereinafter defined) equaling or exceeding 25% of the combined Fair Market Value of the outstanding

common stock of the Corporation and its Subsidiaries, except for any issuance or transfer pursuant to an employee benefit plan of the Corporation or any Subsidiary thereof; or

4. the adoption of any plan or proposal for the liquidation or dissolution of the Corporation proposed by or on behalf of an Interested Stockholder or any Affiliate of any Interested Stockholder; or
5. any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving an Interested Stockholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the Corporation or any Subsidiary which is directly or indirectly owned by any Interested Stockholder or any Affiliate of any Interested Stockholder;

shall require the affirmative vote of the holders of at least 80% of the voting power of the then-outstanding shares of stock of the Corporation entitled to vote in the election of Directors (the "Voting Stock") (after giving effect to the provisions of Article FOURTH), voting together as a single class. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified, by law or by any other provisions of this Certificate of Incorporation or any Preferred Stock Designation in any agreement with any national securities exchange or otherwise.

The term "Business Combination" as used in this Article EIGHTH shall mean any transaction which is referred to in any one or more of paragraphs 1 through 5 of Section A of this Article EIGHTH.

B. The provisions of Section A of this Article EIGHTH shall not be applicable to any particular Business Combination, and such Business Combination shall require only the affirmative vote of the majority of the outstanding shares of capital stock entitled to vote after giving effect to the provisions of Article FOURTH, or such vote (if any), as is required by law or by this Certificate of Incorporation, if, in the case of any Business Combination that does not involve any cash or other consideration being received by the stockholders of the Corporation solely in their capacity as stockholders of the Corporation, the condition specified in the following paragraph 1 is met or, in the case of any other Business Combination, all of the conditions specified in either of the following paragraphs 1 or 2 are met:

1. The Business Combination shall have been approved by a majority of the Disinterested Directors (as hereinafter defined).

2. All of the following conditions shall have been met:
- a. The aggregate amount of the cash and the Fair Market Value as of the date of the consummation of the Business Combination of consideration other than cash to be received per share by the holders of Common Stock in such Business Combination shall at least be equal to the higher of the following:
    - (1) (if applicable) the Highest Per Share Price (as hereinafter defined), including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Stockholder or any of its Affiliates for any shares of Common Stock acquired by it: (i) within the two-year period immediately prior to the first public announcement of the proposal of the Business Combination (the "Announcement Date"); or (ii) in the transaction in which it became an Interested Stockholder, whichever is higher; or
    - (2) the Fair Market Value per share of Common Stock on the Announcement Date or on the date on which the Interested Stockholder became an Interested Stockholder (such latter date is referred to in this Article EIGHTH as the "Determination Date"), whichever is higher.
  - b. The aggregate amount of the cash and the Fair Market Value as of the date of the consummation of the Business Combination of consideration other than cash to be received per share by holders of shares of any class of outstanding Voting Stock other than Common Stock shall be at least equal to the highest of the following (it being intended that the requirements of this subparagraph (b) shall be required to be met with respect to every such class of outstanding Voting Stock, whether or not the Interested Stockholder has previously acquired any shares of a particular class of Voting Stock):
    - (I) (if applicable) the Highest Per Share Price (as hereinafter defined), including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Stockholder for any shares

- of such class of Voting Stock acquired by It: (i) within the two-year period immediately prior to the Announcement Date; or (ii) in the transaction in which it became an Interested Stockholder, whichever is higher; or
- (2) (if applicable) the highest preferential amount per share to which the holders of shares of such class of Voting Stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation; or
  - (3) the Fair Market Value per share of such class of Voting Stock on the Announcement Date or on the Determination Date, whichever is higher.
- c. The consideration to be received by holders of a particular class of outstanding Voting Stock (including Common Stock) shall be in cash or in the same form as the Interested Stockholder has previously paid for shares of such class of Voting Stock. If the Interested Stockholder has paid for shares of any class of Voting Stock with varying forms of consideration, the form of consideration to be received per share by holders of shares of such class of Voting Stock shall be either cash or the form used to acquire the largest number of shares of such class of Voting Stock previously acquired by the Interested Stockholder. The price determined in accordance with subparagraph B.2 of this Article EIGHTH shall be subject to appropriate adjustment in the event of any stock dividend, stock split, combination of shares or similar event.
- d. After such Interested Stockholder has become an Interested Stockholder and prior to the consummation of such Business Combination: (1) except as approved by a majority of the Disinterested Directors (as hereinafter defined), there shall have been no failure to declare and pay at the regular date therefor any full quarterly dividends (whether or not cumulative) on any outstanding stock having preference over the Common Stock as to dividends or liquidation; (2) there shall have been: (i) no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any subdivision of the Common Stock), except as

approved by a majority of the Disinterested Directors; and (ii) an increase in such annual rate of dividends as necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of the Common Stock, unless the failure to so increase such annual rate is approved by a majority of the Disinterested Directors, and (3) neither such Interested Stockholder or any of its Affiliates shall have become the beneficial owner of any additional shares of Voting Stock except as part of the transaction which results in such Interested Stockholder becoming an Interested Stockholder.

- e. After such Interested Stockholder has become an Interested Stockholder, such Interested Stockholder shall not have received the benefit, directly or indirectly (except proportionately as a stockholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided, directly or indirectly, by the Corporation, whether in anticipation of or in connection with such Business Combination or otherwise.
- f. A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (or any subsequent provisions replacing such Act, and the rules or regulations thereunder) shall be mailed to stockholders of the Corporation at least 30 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions).

C. For the purposes of this Article EIGHTH:

- 1. A "Person" shall include an individual, a firm, a group acting in concert, a corporation, a partnership, an association, a joint venture, a pool, a joint stock company, a trust, an unincorporated organization or similar company, a syndicate or any other group formed for the purpose of acquiring, holding or disposing of securities or any other entity.

2. "Interested Stockholder" shall mean any person (other than the Corporation or any Holding Company or Subsidiary thereof) who or which:
  - a. is the beneficial owner, directly or indirectly, of more than 10% of the voting power of the outstanding Voting Stock; or
  - b. is an Affiliate of the Corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding Voting Stock; or
  - c. is an assignee of or has otherwise succeeded to any shares of Voting Stock which were at any time within the two-year period immediately prior to the date in question, beneficially owned by any Interested Stockholder, if such assignment or succession shall have occurred in the course of a transaction or series of transactions not involving a public offering within the meaning of the Securities Act of 1933, as amended.
3. For purposes of this Article EIGHTH, "beneficial ownership" shall be determined in the manner provided in Section C of Article FOURTH hereof.
4. "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on the date of filing of this Certificate of Incorporation.
5. "Subsidiary" means any corporation of which a majority of any class of equity security is owned, directly or indirectly, by the Corporation; provided, however, that for the purposes of the definition of Interested Stockholder set forth in Paragraph 2 of this Section C, the term "Subsidiary" shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the Corporation.
6. "Disinterested Director" means any member of the Board of Directors who is unaffiliated with the Interested Stockholder and was a member of the Board of Directors prior to the time that the Interested Stockholder became an Interested Stockholder, and any Director who is thereafter chosen to fill any vacancy of the Board of Directors or who is elected and who, in either event, is unaffiliated with the



Interested Stockholder and in connection with his or her initial assumption of office is recommended for appointment or election by a majority of Disinterested Directors then on the Board of Directors.

7. "Fair Market Value" means:
  - a. in the case of stock, the highest closing sales price of the stock during the 30-day period immediately preceding the date in question of a share of such stock on the National Association of Securities Dealers Automated Quotation, System or any system then in use, or, if such stock is admitted to trading on a principal United States securities exchange registered under the Securities Exchange Act of 1934, as amended, Fair Market Value shall be the highest sale price reported during the 30-day period preceding the date in question, or, if no such quotations are available, the Fair Market Value on the date in question of a share of such stock as determined by the Board of Directors in good faith, in each case with respect to any class of stock, appropriately adjusted for any dividend or distribution in shares of such stock or any stock split or reclassification of outstanding shares of such stock into a greater number of shares of such stock or any combination or reclassification of outstanding shares of such stock into a smaller number of shares of such stock; and
  - b. in the case of property other than cash or stock, the Fair Market Value of such property on the date in question as determined by the Board of Directors in good faith.
8. Reference to "Highest Per Share Price" shall in each case with respect to any class of stock reflect an appropriate adjustment for any dividend or distribution in shares of such stock or any stock split or reclassification of outstanding shares of such stock into a greater number of shares of such stock or any combination or reclassification of outstanding shares of such stock into a smaller number of shares of such stock.
9. In the event of any Business Combination in which the Corporation survives, the phrase "consideration other than cash to be received" as used in Subparagraphs (a) and (b) of Paragraph 2 of Section B of this Article EIGHTH shall include the shares of Common Stock and/or the shares of any other class of outstanding Voting Stock retained by the holders of such shares.

D. A majority of the Disinterested Directors of the Corporation shall have the power and duty to determine for the purposes of this Article EIGHTH, on the basis of information known to them after reasonable inquiry; (a) whether a person is an Interested Stockholder; (b) the number of shares of Voting Stock beneficially owned by any person; (c) whether a person is an Affiliate or Associate of another; and (d) whether the assets which are the subject of any Business Combination have, or the consideration to be received for the issuance or transfer of securities by the Corporation or any Subsidiary in any Business Combination has an aggregate Fair Market Value equaling, or exceeding 25% of the combined Fair Market Value of the Common Stock of the Corporation and its Subsidiaries. A majority of the Disinterested Directors shall have the further power to interpret all of the terms and provisions of this Article EIGHTH.

E. Nothing contained in this Article EIGHTH shall be construed to relieve any Interested Stockholder from any fiduciary obligation imposed by law.

F. Notwithstanding any other provisions of this Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any particular class or series of the Voting Stock required by law, this Certificate of Incorporation or any preferred Stock Designation, the affirmative vote of the holders of at least 80 percent of the voting power of all of the then-outstanding shares of the Voting Stock (after giving effect to the provisions of Article FOURTH), voting together as a single class, shall be required to alter, amend or repeal this Article EIGHTH.

NINTH: The Board of Directors of the Corporation, when evaluating any offer of another Person (as defined in Article EIGHTH hereof) to; (A) make a tender or exchange offer for any equity security of the Corporation; (B) merge or consolidate the Corporation with another corporation or entity; or (C) purchase otherwise acquire all or substantially all of the properties and assets of the Corporation, may, in connection with the exercise of its judgment in determining what is in the best interest of the Corporation and its stockholders, give due consideration to all relevant factors, including, without limitation, those factors that Directors of any subsidiary of the Corporation may consider in evaluating any action that may result in a change or potential change in the control of the subsidiary, and the social and economic effect of acceptance of such offer: on the Corporation's present and future customers and employees and those of its Subsidiaries (as defined in Article EIGHTH hereof); on the communities in which the Corporation and its Subsidiaries operate or are located; on the ability of the Corporation to fulfill its corporate objective as a savings and loan holding company under applicable laws and regulations; and on the ability of its subsidiary savings and loan association to fulfill the objectives of a stock form savings and loan association under applicable statutes and regulations.

## TENTH:

A. Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a Director or an Officer of the Corporation or is or was serving at the request of the Corporation as a Director, Officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "indemnitee"), whether the basis of such proceeding is alleged action in an official capacity as a Director, Officer, employee or agent or in any other capacity while serving as a Director, Officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith; provided, however, that, except as provided in Section C hereof with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation.

B. The right to indemnification conferred in Section A of this Article TENTH shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Delaware General Corporation Law requires, an advancement of expenses incurred by an indemnitee in his or her capacity as a Director or Officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, services to an employee benefit plan) shall be made only upon delivery to the Corporation of undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Section or otherwise. The rights to indemnification and to the advancement of expenses conferred in Sections A and B of this Article TENTH shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a Director, Officer, employee or agent and shall inure to the benefit of the indemnitee's heirs, executors and administrators.

C. If a claim under Section A or B of this Article TENTH is not paid in full by the Corporation within sixty days after a written claim has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable

period shall be twenty days, the indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expenses of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (ii) in any suit by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking the Corporation shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met any applicable standard for indemnification set forth in the Delaware General Corporation Law. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the indemnitee has not met such, applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article TENTH or otherwise shall be on the Corporation.

D. The rights to indemnification and to the advancement of expenses conferred in this Article TENTH shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Corporation's Certificate of Incorporation, Bylaws, agreement, vote of stockholders or Disinterested Directors or otherwise.

E. The Corporation may maintain insurance, at its expense, to protect itself and any Director, Officer, employee or agent of the Corporation or subsidiary or Affiliate or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

F. The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation to the fullest extent of the provisions of this Article TENTH with respect to the indemnification and advancement of expenses of Directors and Officers of the Corporation.

ELEVENTH: A Director of this Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a Director, except for liability: (i) for any breach of the Director's duty of loyalty to the Corporation or its stockholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) under Section 174 of the Delaware General Corporation Law; or (iv) for any transaction from which the Director derived an improper personal benefit. If the Delaware General Corporation Law is amended to authorize corporate action further eliminating or limiting the personal liability of Directors, then the liability of a Director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended.

Any repeal or modification of the foregoing paragraph by the stockholders of the Corporation shall not adversely affect any right or protection of a Director of the Corporation existing at the time of such repeal or modification.

TWELFTH: The Corporation reserves the right to amend or repeal any provision contained in this Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware and all rights conferred upon stockholders are granted subject to this reservation; provided, however, that, notwithstanding any other provision of this Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any vote of the holders of any class or series of the stock of this Corporation required by law or by this Certificate of Incorporation, the affirmative vote of the holders of at least 80 percent of the voting power of all of the then-outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of Directors (after giving effect to the provisions of Article FOURTH), voting together as a single class, shall be required to amend or repeal this Article TWELFTH, Section C of Article FOURTH, Sections C or D of Article FIFTH, Article SIXTH, Article SEVENTH, Article EIGHTH or Article TENTH.

THIRTEENTH: The name and mailing address of the sole incorporator are as follows:

Name	Mailing Address
Mia Sunmee Kim	Muldoon, Murphy & Faucette 5101 "Wisconsin Avenue, N.W. Washington, D.C. 20016

I, THE UNDERSIGNED, being the incorporator, for the purpose of forming a corporation under the laws of the State of Delaware, does make, file and record this Certificate of Incorporation and do certify that the facts herein stated are true, and accordingly, have hereto set my hand this 10th day of September, 1998.

/s/ Mia Sunmee Kim

Mia Sunmee Kim  
Incorporator

**WIRE TRANSFER INSTRUCTIONS**

Funds can be wired to NCB Savings Bank FSB through The Federal Reserve Bank as follows:

NCB Savings Bank FSB  
139 South High St  
Hillsboro, Ohio 45133  
ABA number 242272227

For the benefit of:

(Account Name)

(Account Number)

[REDACTED] b(6)

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**From:** Therese A. Liutkus  
**Sent:** Friday, January 16, 2009 11:04 AM  
**To:** [REDACTED] b(6)  
**Cc:**  
**Subject:** holding company CDARS investment

[REDACTED] b(6)

Please take \$7,225,000 out of the holding company's checking account and invest in 30 day CDARS.  
give me a call to discuss rate. 440-582-1578

[REDACTED] b(6)

'll give you a call re: this.  
This will result in new eliminations for consolidation - interest income/expense, accruals, cd's, etc.

Thanks,  
Terri



[REDACTED] b(6)

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**From:** Therese A. Liutkus  
**Sent:** Friday, January 16, 2009 11:59 AM  
**To:** [REDACTED] b(6)  
**Cc:**  
**Subject:** holding company CDARS rate

[REDACTED] b(6)

The rate on the holding company's CDARS investment should be 40bp.

Terri

EXHIBIT D



February 5, 2009

Senator George Voinovich  
1240 East 9<sup>th</sup> Street  
Room 3061  
Cleveland, Ohio 44100

Dear Senator Voinovich,

Thank you again for the invitation on Friday, January 30<sup>th</sup>, to discuss the current status of the TARP/PPP program and opportunities to stimulate mortgage and small business lending. As I mentioned, our singular goal as a community bank is to originate commercial and consumer lending in the communities we serve in northern, central and southeast Ohio. We continue to be fortunate to have opportunities to lend and secure new depository relationships.

Below I have outlined some of my thoughts on a number of topics. I hope that these thoughts and ideas assist you with the challenges we all face together.

**Regulatory Unintended Consequences**

We have witnessed the cause and effect financial crises have on our banking system and the agencies whose mission is to safeguard and regulate. Working through the savings and loan crisis and the resultant aftermath reminds us of the unintentional consequences that follow. For example, as a result of today's environment, the banking regulators are requesting many banks to increase their Risk Based Capital percentage from 10% to 12%. The request, as logical as it may appear to be, carries with it an unintended consequence of reduced capital allocated to lending. For example, let's assume a bank has a risk based capital percentage of 10.5%, which exceeds the well capitalized requirement of 10%. Let's also assume that the bank focuses on lending to small business and commercial real estate. The regulators may determine that the makeup of the balance sheet has a greater risk potential than a bank that focuses strictly on residential lending. They may request a higher level of risk based capital greater than the 10%. Finally, let's also assume that the bank has received the maximum TARP/PPP capital equal to 3% of risk based capital.

The result in this example would require the bank to allocate 2% of the 3% of TARP/PPP capital to shore up the new requested 12% or existing regulatory requirement. The remaining 1% in many cases is being allocated to the allowance for loan losses and leases. The addition of this later consequence would result in all the TARP/PPP capital being absorbed to meet

regulatory requirements. The potential unintended consequence is for all of the TARP/PPP capital being unavailable for lending since it was utilized to shore up capital ratios.

To be clear, I am not judging which level of risk based capital is necessary given today's economic environment. What I am pointing out are the substantial unintended consequences of opposing goals.

In a recent article in the *Economist* magazine, December 20, 2008, former Treasury Secretary Alan Greenspan discusses the potential need for banks to operate with higher levels of capital in order to instill confidence in the investor markets. If this is truly the case, clear and concise guidance from both Congress and the White House will assist banks in the efficient allocation and employment of capital to attain the desired outcomes.

### **Mortgage Crisis**

#### **1. The Work Out**

The number of proposals to work through the mortgage crisis from establishing a "bad bank" to house the toxic assets to requiring mortgage servicing companies to work with home owners to refinance the homes continues to expand. Which plan or plans will be effective is yet to be determined. I believe a program to resolve this crisis must address a number of key issues: The first and the most important is the restoration of consumer confidence in home ownership and trust in the mortgage finance business. The second is substantially curtailing the continual waive of foreclosures which is eroding the value of neighbors and home values. The third is targeting and effectively utilizing the U.S. Treasury and taxpayers dollars directly to solve the issue. The fourth is minimizing the outlay of dollars today and providing time for a recover of housing values.

Here's what I propose. Banks, consumer agencies, the media and the federal government need to inform the residential home owners of a process to assist them in refinancing the toxic debt they currently possess. I would recommend a program that allows the consumer to refinance their existing mortgage at a rate of 80% of the current appraised value at a rate of interest which is below today's effective yield. For discussion purposes let's say that's 4%. The federal government would guarantee the timely repayment of principal and interest on these new mortgages. The original mortgage would be paid off in full; therefore, the bank or other investor would receive their entire principal amount owed. Second, the difference between the new mortgage and the previous mortgage would be secured by a note between the homeowner and the government. In return for a discounted interest rate and other favorable terms, the consumer agrees to remain in their home for a period of years, say five to seven, and also agrees that upon the final sale or other disposition of their primary residence, the federal government would be reimbursed for the initial shortfall from the refinanced mortgage.

Here's an example. A consumer purchased a home for \$100,000 in 2005. They originally had a down payment of 20% or \$20,000, financing the balance of \$80,000. Today the home is appraised for \$80,000. A new mortgage would be created for \$64,000 at a below market rate of interest. The original mortgage holder would be paid their balance; for ease of math, let's assume it is \$80,000. The difference between the \$80,000 old mortgage and the new mortgage of \$64,000 ( \$16,000) would be a second, non-interest bearing, mortgage owned by the federal government to be repaid after a period of time, (5 to 7 years), out of the proceeds of a refinance or a sale or other disposition of the home. When the home is sold for their original purchase price of \$100,000 or greater, the home owner would be entitled to the same

proceeds they would have had under the original financing. The federal government would be repaid their \$16,000 and the mortgage holder is repaid in full. If however the ultimate sale of the home falls short of extinguishing all debt, a debt forgiveness or other provision could be incorporated now or in the future.

### **The Benefits of the Program**

The program is targeted directly to the struggling homeowner. The assumption of the deferred mortgage by the federal government is in essence a contribution of capital to the banking system. In lieu of providing capital to the banking system and having concern over its deployment, this approach stops the erosion of banking capital through mitigation of the loss on the banks' balance sheet. There is no need to establish a "bad bank" to manage and ascertain the values for the toxic mortgage assets. Through this refinance/guarantee program all toxic mortgage credit is renewed and the credit default swap losses would be mitigated. We would stabilize the home market and provide time for the housing market to recover over the coming years. In lieu of trading toxic assets in a financial market of unascertainable values, we would target the utilization of capital and mortgage debt directly to the source.

Along with this program, I would recommend that the risk based capital percentages and requirements be changed for these mortgages from a 50% risk weighted category to a zero risk rated category. The logic here is since the U.S. Treasury is guaranteeing the timely payment of principal and interest, the ultimate default risk is zero. The effect of this one transaction would be to ultimately free up billions of dollars of bank capital to be loaned to home owners and small businesses. Additionally, banks would desire these investments on their balance sheets. The combination of the 4% yield and the zero risk weighted capital would be extremely attractive investments for banks. Finally, the money market fund managers would also be attracted to these investments, which would cause the inflow of additional funds into the financial systems.

### **2. New Housing Stimulus Program**

We also discussed ways to encourage new home ownership and to stimulate new home purchases. As I mentioned, one of the largest deterrents we have heard from potential buyers is the lack of confidence that the value of a newly purchased home will stabilize and will not be subject to further devaluation. Programs to stimulate buying have included tax credits, subsidized financing, federal or state grants, to name a few. All programs require the outlay of dollars and negatively impact the budgets. The successes of the programs are additionally hard to measure. These ideas and programs do not address the deflationary housing environment and the consumer confidence issues.

A simple, less costly measure would be to guarantee the value of the home purchase price. By doing so we create a floor and instill confidence that the homeowner will not be subject to a loss based upon today's established fair market value of the home. To obtain the guarantee, the homeowner would need to enter into an agreement not to sell their home within a stated period of time (say 7 years) and would be subject to certain underwriting and home maintenance covenants. Through the establishment of an economic floor, the consumer's confidence would begin to recover and additionally the program requires no outlay of taxpayers' dollars or federal subsidies. Studies have proven that the need for housing in the future will continue to be strong. This program merely allows for the housing market to recover and restores confidence in home ownership.

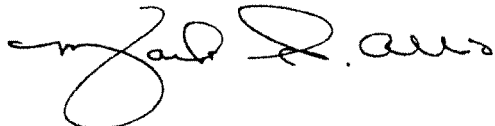
**Risk Based Capital Rules and Government Sponsored Enterprises**

The final topic I wish to discuss is the current status of the Federal National Mortgage Corporation (Fannie Mae) and the Federal Home Loan Mortgage Corporation (FHLMC), collectively GSE's. Since their respective inceptions, each company's charter has been to provide a secondary market and liquidity to fund the expansion of our residential lending and thus home ownership. Currently, each GSE is effectively owned by the taxpayers. Prior to these recent events, the GSEs had an advantage to issue their bonds and other mortgage related debt at a discounted spread over the Treasury curve. For regulatory purposes, their debt has been assigned a regulatory risk based capital percentage of 20%. This provided an incentive to investor banks to purchase the debt since the risked adjusted return on capital was comparable with other investments and loans.

Since the taxpayer's have ownership of the GSEs with the U.S. Treasury standing behind their debt obligations, I recommend that Congress consider reducing the risk based capital percentage for these organizations to zero. As I mentioned above, the reduction in the risk based capital percentages creates substantial capacity on the existing balance sheets of banks to lend without the need to infuse added capital. The Government National Mortgage Association or GINNIE MAE currently has a zero risk based designation.

The above abbreviated illustrations and discussions serve only as an introduction to a few potential opportunities. The implementation of a formal program or bill requires additional discussion and planning. Please call on me if additional conversations are warranted.


Sincerely,

A handwritten signature in black ink, appearing to read "Mark S. Allio". The signature is fluid and cursive, with a large loop at the end.

Mark S. Allio  
Chairman and CEO

**EXHIBIT E**  
**TO RESPONSE TO THE SPECIAL INSPECTOR GENERAL**  
**OFFICER'S CERTIFICATE**

I, Mark S. Allio, the Chairman of the Board of Directors, President and Chief Executive Officer of Central Federal Corporation, a Delaware corporation, hereby certify, to the best of my knowledge and being subject to the requirements and penalties set forth in Title 18, United States Code, Section 1001, that all statements, representations, and supporting information provided in connection with today's response to Neil M. Barofsky, Special Inspector General, are accurate.

  
Mark S. Allio

Dated: March 6, 2009