

212



To: Neil M. Barofsky
Special Inspector General – TARP
1500 Pennsylvania Avenue NW, Suite 1064
Washington DC 20220

From: John C. Pollok
Chief Financial Officer and Chief Operating Officer

Date: March 6, 2009

RE: SCBT Financial Corporation – Requested information by the Office of the Special Inspector General (TARP) dated February 6, 2009

-
- 1. A narrative response specifically outlining (a) your anticipated use of TARP funds; (b) whether the TARP funds were segregated from other institutional funds; (c) your actual use of TARP funds to date; and (d) your expected use of unspent TARP funds. In your response, please take into consideration your anticipated use of TARP funds at the time that you applied for such funds, or any actions that have taken that you would not have been able to take absent the infusion of TARP funds.**

RESPONSE:

- (a) SCBT Financial Corporation's (SCBT) anticipated use of the TARP funds was first outlined in the proxy statement filed on November 28, 2008 (*TARP Exhibit A*). In this document, the Company outlined two scenarios of using the proceeds to invest in securities yielding at least 5.5%. Since that filing, the Federal Reserve has further lowered the Fed Funds rate, and the banking industry has continued to struggle with mounting losses being reported during the earnings season (4th quarter results). SCBT actually closed on the TARP agreement with the US Treasury and received the funds on January 16th, 2009, for the purchase of preferred stock and common stock warrants exercisable at \$32.06. In the Company's press release dated January 20, 2009 (*TARP Exhibit B*), our CEO, Robert R. Hill, Jr., stated that we wanted to be part of a solution in helping our customers and communities in the current challenging economic times. He stated that we would use part of the proceeds to support the \$150.0 million in mortgages that were in process today (as of January 16th, 2009). He also stated that SCBT had committed \$25.0 million to help the South Carolina Student Loan Corporation fund student loans for the 2009 and 2010 school year.
- (b) The funds were received by the bank holding company, and then were placed on deposit with our bank (SCBT, N.A.) in a money market account (*TARP Exhibit C*).
- (c) Actual use of the TARP funds to date is as outlined: The bank holding company deposited these funds into the bank subsidiary, SCBT, N.A., as a part of the consolidated management of our cash

position and funding of our balance sheet. This includes funding of loans and investment activity as a part of the ongoing operations of the company.

(d) SCBT would expect to use the proceeds for the following:

- (1) Build upon an already strong capital position of our bank and bank holding company,
- (2) Provide the Company with the flexibility to withstand a deeper and longer recession, if it occurs,
- (3) Continue to provide (extend) credit to our customers, including small businesses and consumers, and
- (4) Provide the Company with the ability to capitalize on any strategic opportunity that may arise in the future.

The Company has not taken any action that we would not have been able to take absent the infusion of TARP funds. All actions that we have taken could have been done with or without the infusion of TARP funds.

Lastly, the Company is currently exploring the option of returning this funding given the changes that are contemplated in the recent law signed on February 17, 2009, along with the demonstrated negative perception associated with financial institutions that have received TARP funding.

- 2. Your specific plans and the status of implementation of those plans, for addressing executive compensation requirements associated with the funding. Information provided regarding executive compensation should also include any assessments made of loan risks and their relationship to executive compensation; how limitations on executive compensation will be implemented in line with Department of Treasury guidelines; and whether any such limitations may be offset by other changes to other longer-term of deferred forms of executive compensation.**

RESPONSE:

The Company's Compensation Committee of the Board of Directors is primarily responsible for all compensation relative to executives of the company and has implemented all the appropriate measures for the administration of these plans.

All required executives have signed and agreed that it is their intent and desire to abide by the laws set forth by the US Government relative to compensation and pay while the Company is a participant in the TARP CPP program. See Exhibits 10.2 and 10.3 filed with Form 8-K on January 16, 2009 with the SEC (*TARP Exhibits D and E*).

The Company's CEO, its chief risk officer and the Compensation Committee of the Board of Directors have reviewed all the incentive plans that exist for executives and employees. They determined that the executive and employee incentive compensation plans do not induce or encourage the participants to take unnecessary and excessive risk that threaten the value of the Company.

In culmination of an extensive analysis done throughout the last half of 2008, the Company and three executives terminated their respective SERP agreements that were entered into in 2002, and subsequently amended on November 1, 2006 (*TARP Exhibit F*). To replace these foregone retirement benefits, the Company issued (granted) a substitute form of long-term compensation in the form of restricted stock. This restricted stock vests over the same time frame (the remaining working career of each executive) as the terminated SERPs. The restricted stock was granted on January 22, 2009 for

SCBT FINANCIAL CORPORATION

these three executives (*TARP Exhibit G*). It is expected that this action will save the Company approximately \$5.5 million over the life of the terminated SERP and the restricted stock (*TARP Exhibit H*).

CERTIFICATION

I, the undersigned duly authorized senior executive officer of SCBT Financial Corporation, have personally reviewed the contents and certify the accuracy of the statements and supporting documentation provided to the SIGTARP, subject to the requirements and penalties set forth in Title 18, United States Code, Section 1001.

SCBT FINANCIAL CORPORATION

By:  _____

Name: John C. Pollok
Title: Sr. Executive Vice President,
Chief Operating Officer
and Chief Financial Officer
Date: March 6, 2009

TARP - Exhibit A
SCBT FINANCIAL CORPORATION

520 Gervais Street
Columbia, South Carolina 29201

**NOTICE OF SPECIAL MEETING OF THE SHAREHOLDERS
TO BE HELD ON DECEMBER 30, 2008**

TO OUR SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that a Special Meeting of the Shareholders (the "Special Meeting") of SCBT Financial Corporation, a South Carolina corporation (the "Company"), will be held at the Company's headquarters in the Dorchester-Jasper Room on the second floor, 520 Gervais Street, Columbia, South Carolina, on Tuesday, December 30, 2008, at 10:00 a.m., for the following purposes:

1. To approve a proposed amendment and restatement of the Company's Articles of Incorporation to authorize the issuance of up to ten million shares of preferred stock with such preferences, limitations and relative rights, within legal limits, of the class or series or preferred stock, as are set by the Board of Directors, and to delete certain obsolete provisions of the Articles of Incorporation, as set forth in the Company's proxy statement (the "Amendment and Restatement");
2. To grant the chairperson of the Special Meeting the authority to adjourn or postpone the Special Meeting, if necessary, in order to solicit additional proxies in the event that (a) there are not sufficient affirmative votes present at the Special Meeting to adopt the Amendment and Restatement or (b) a quorum is not present at the Special Meeting (the "Adjournment Proposal"); and
3. To transact such other business as may properly come before the Special Meeting or any adjournment of the Special Meeting.

Only shareholders of record at the close of business on November 17, 2008, are entitled to notice of and to vote at the Special Meeting and any adjournment of the Special Meeting.

You are cordially invited and urged to attend the Special Meeting in person. **WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING IN PERSON, YOU ARE REQUESTED TO PROMPTLY VOTE BY TELEPHONE, INTERNET, OR BY MAIL ON THE PROPOSALS PRESENTED, FOLLOWING THE INSTRUCTIONS ON THE PROXY CARD FOR WHICHEVER VOTING METHOD YOU PREFER. IF YOU VOTE BY MAIL, PLEASE COMPLETE, DATE, SIGN AND PROMPTLY RETURN THE ENCLOSED PROXY IN THE ENCLOSED SELF-ADDRESSED, POSTAGE-PAID ENVELOPE.** If you need assistance in completing your proxy, please call the Company at (800) 277-2175. If you are the record owner of your shares and attend the Special Meeting and desire to revoke your proxy and vote in person, you may do so. In any event, a proxy may be revoked by the record owner of shares at any time before it is exercised by giving notice of revocation to our Secretary, or by returning a properly executed proxy with a later date at or before the meeting. If your shares are held in "street name" by your broker, you must follow the instructions you will receive from your broker to change or revoke your proxy.

Holders of our common stock may be entitled to assert dissenters' rights under Chapter 13 of the South Carolina Business Corporation Act, a copy of which is attached as *Appendix C*, if the amended and restated articles of incorporation are approved and are filed with the South Carolina Secretary of State.

We do not know of any other matters to be presented at the Special Meeting, but if other matters are properly presented, the persons named as proxy agents will vote on such matters in their discretion.

THE COMPANY'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE PROPOSALS.

By Order of the Board of Directors



Renee R. Brooks
Secretary

November 28, 2008

TARP EXHIBIT B



SCBT Financial Corporation Completes Sale of \$64.8 Million in Preferred Shares to U.S Treasury

Company Release - 01/20/2009 11:38

COLUMBIA, S.C.--(BUSINESS WIRE)-- SCBT Financial Corporation (NASDAQ: SCBT) announces today that it has completed the sale of \$64.8 million in preferred stock and warrants to the U.S. Treasury as part of the government's Capital Purchase Program. SCBT issued to the Treasury 64,779 shares of Fixed Rate Cumulative Perpetual Preferred Stock, Series T, and a ten-year warrant to purchase up to 303,083 shares of SCBT's common stock at an initial exercise price of \$32.06 per share. SCBT's preliminary approval to participate in the program was announced on December 19, 2008.

"SCBT Financial Corporation has been one of the top performing banks in the country and we continue to have a very strong capital position," said Robert R. Hill, Jr., CEO. "Therefore, we felt we could be part of a solution in helping our customers and communities face challenging economic times by participating in the Capital Purchase Program. Both South Carolina Bank and Trust and North Carolina Bank and Trust continue to see opportunities to make investments in our communities. In particular, we see a great opportunity to invest these funds to help support the approximately \$150 million in mortgages that we have in process today. We also just committed \$25 million to help the South Carolina Student Loan Corporation fund student loans for the 2009 and 2010 school year. We will continue to seek ways to support our customers and communities."

SCBT Financial Corporation, Columbia, South Carolina is a registered bank holding company incorporated under the laws of South Carolina. The Company consists of SCBT, N.A., the third largest bank headquartered in South Carolina and NCBT, a Division of SCBT, N.A. Providing financial services for nearly 75 years, SCBT Financial Corporation operates 50 financial centers in 16 South Carolina counties and Mecklenburg County in North Carolina. SCBT Financial Corporation has assets of approximately \$2.8 billion and its stock is traded under the symbol SCBT on the NASDAQ Global Select Market. More information can be found at www.SCBTonline.com.

Statements included in this press release which are not historical in nature are intended to be, and are hereby identified as, forward looking statements for purposes of the safe harbor provided by Section 21E of the Securities and Exchange Act of 1934, as amended. SCBT Financial Corporation cautions readers that forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from forecasted results. Such risks and uncertainties, include, among others, the following possibilities: (1) credit risk associated with an obligor's failure to meet the terms of any contract with the bank or otherwise fail to perform as agreed; (2) interest risk involving the effect of a change in interest rates on both the bank's earnings and the market value of the portfolio equity; (3) liquidity risk affecting the bank's ability to meet its obligations when they come due; (4) price risk focusing on changes in market factors that may affect the value of traded instruments in "mark-to-market" portfolios; (5) transaction risk arising from problems with service or product delivery; (6) compliance risk involving risk to earnings or capital resulting from violations of or nonconformance with laws, rules, regulations, prescribed practices, or ethical standards; (7) strategic risk resulting from adverse business decisions or improper implementation of business decisions; (8) reputation risk that adversely affects earnings or capital arising from negative public opinion; and (9) terrorist activities risk that results in loss of consumer confidence and economic disruptions.

Source: SCBT Financial Corporation

Contact: SCBT Financial Corporation John C. Pollok, Senior Executive Vice President and Chief Financial Officer, 803-765-4628 Fax: 803-765-1966

[Click here for Printer-Friendly Version](#)

SCBT, N.A.
P. O. BOX 1287
ORANGEBURG, SC 29116-1287

001 00098 01
ACCOUNT:

(b) (4)

PAGE: 1
01/30/2009

TELEPHONE: 800-277-2175

TARP EXHIBIT C

B

SCBT FINANCIAL CORPORATION 30
SEND TO THIRD FLOOR ATTN (b) (6) 0
ORBG MAIN BR 0

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ATTN: PHONE BANKING CUSTOMERS
WE ENCOURAGE YOU TO CHANGE YOUR PHONE BANKING PASSWORD PERIODICALLY.
THIS WILL HELP PROTECT THE PRIVACY OF YOUR ACCOUNT INFORMATION. TO
CHANGE YOUR PASSWORD SIMPLY CALL THE PHONE BANKING NUMBER AND FOLLOW
THE INSTRUCTIONS.

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MONEY MARKET ACCOUNT (b) (4)

=====

MINIMUM BALANCE	64,779,000.00	LAST STATEMENT 01/14/09	.00
AVG AVAILABLE BALANCE	30,484,235.29	2 CREDITS	64,789,648.60
AVERAGE BALANCE	30,484,235.29	DEBITS	.00
		THIS STATEMENT 01/30/09	64,789,648.60

----- OTHER CREDITS -----

DESCRIPTION		DATE	AMOUNT
MOVE FUNDS TO MMA FROM (b) (4)	PER (b) (6)	01/23	64,779,000.00
INTEREST		01/30	10,648.60

----- I N T E R E S T -----

AVERAGE LEDGER BALANCE:	30,484,235.29	INTEREST EARNED:	10,648.60
AVERAGE AVAILABLE BALANCE:	30,484,235.29	DAYS IN PERIOD:	17
INTEREST PAID THIS PERIOD:	10,648.60	ANNUAL PERCENTAGE YIELD EARNED:	.75%
INTEREST PAID 2009:	10,648.60		

----- DAILY BALANCE -----

DATE.....BALANCE	DATE.....BALANCE	DATE.....BALANCE
01/23 64,779,000.00	01/30 64,789,648.60	

- END OF STATEMENT -

**SCBT FINANCIAL CORPORATION
TARP EXHIBIT D**

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Section 6: EX-10.2 (EX-10.2)

Exhibit 10.2

WAIVER

In consideration for the benefits I will receive as a result of my employer's participation in the United States Department of the Treasury's TARP Capital Purchase Program, I hereby voluntarily waive any claim against the United States or my employer for any changes to my compensation or benefits that are required to comply with the regulation issued by the Department of the Treasury as published in the Federal Register on October 20, 2008.

I acknowledge that this regulation may require modification of the compensation, bonus, incentive and other benefit plans, arrangements, policies and agreements (including so-called "golden parachute" agreements) that I have with my employer or in which I participate as they relate to the period the United States holds any equity or debt securities of my employer acquired through the TARP Capital Purchase Program.

This waiver includes all claims I may have under the laws of the United States or any state related to the requirements imposed by the aforementioned regulation, including without limitation a claim for any compensation or other payments I would otherwise receive, any challenge to the process by which this regulation was adopted and any tort or constitutional claim about the effect of these regulations on my employment relationship.

EXECUTIVE:

Name:

Date:

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TARP EXHIBIT E

Amendments to Certain Compensation Arrangements

[date]

[name of executive]
SCBT Financial Corporation
520 Gervais Street
Columbia, South Carolina 29201

Dear [executive],

SCBT Financial Corporation (the “Company”) anticipates entering into a Securities Purchase Agreement (the “Participation Agreement”) with the United States Department of Treasury (the “Treasury”) that provides, among other things, for the purchase by the Treasury of securities issued by the Company. This purchase is anticipated to occur as part of the Company’s participation in the Treasury’s Troubled Asset Relief Program - Capital Purchase Program (the “CPP”).

As a condition to the closing of the investment contemplated by the Participation Agreement, the Company is required to take certain actions with respect to compensation arrangements of its senior executive officers. The Company has determined that you are or may be a senior executive officer for purposes of the CPP. To comply with the requirements of the CPP, and in consideration of the benefits that you will receive as a result of the Company’s participation in the CPP and for other good and valuable consideration, the sufficiency of which you hereby acknowledge, you agree as follows:

- (1) No Golden Parachute Payments. You will not be entitled to receive from the Company any golden parachute payment (as defined below) during any period in which the Treasury holds an equity or debt position acquired from the Company in the CPP (the “CPP Covered Period”) (or during the year following any acquisition of the Company, to the extent required by the CPP Limitations (as defined below)).
- (2) Recovery of Bonus and Incentive Compensation. You will be required to and shall return to the Company any bonus or incentive compensation paid to you by the Company during the CPP Covered Period if such bonus or incentive compensation is paid to you based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria.
- (3) Compensation Program Amendments. Each of the Company’s compensation, bonus, incentive and other benefit plans, arrangements and agreements, including your Employment Agreement (all such plans, arrangements and agreements, the “Benefit Plans”) are hereby amended to the extent necessary to give effect to provisions (1) and (2) of this letter.

The Company is also required as a condition to participation in the CPP to review the Benefit Plans to ensure that the Benefit Plans do not encourage its senior executive officers to take unnecessary and excessive risks that threaten the value of the Company. To the extent that the Company determines that the Benefit Plans must be revised as a result of such review, or determines that the Benefit Plans must otherwise be revised to comply with Section 111(b) of the EESA (as defined below) as implemented by any guidance or regulation thereunder that has been issued and is in effect as of the closing date of the Company’s issuance of preferred stock and warrants to acquire common stock to the Treasury pursuant to

TARP EXHIBIT E

the CPP (the “CPP Limitations”), you and the Company agree to negotiate and effect such changes promptly and in good faith.

- (4) Definitions and Interpretation. This letter shall be interpreted as follows:
- “Senior executive officer” means the Company’s “senior executive officers” as defined in Q&A 2 of the Interim Final Rule issued by the Treasury at 31 CFR Part 30, effective on October 20, 2008 (the “Interim Final Rule”).
 - “Golden parachute payment” shall have the meaning set forth in Q&A 9 of the Interim Final Rule.
 - The term “Company” includes any entities treated as a single employer with the Company under Q&A 1 and Q&A 11 of the Interim Final Rule.
 - This letter is intended to, and shall be interpreted, administered and construed to comply with Section 111 of the Emergency Economic Stabilization Act of 2008 (the “EESA”) and the regulations and guidance promulgated thereunder (and, to the maximum extent consistent with the preceding, to permit operation of the Benefit Plans in accordance with their terms before giving effect to this letter).
- (5) Miscellaneous. To the extent not subject to federal law, this letter will be governed by and construed in accordance with the laws of the State of South Carolina. This letter may be executed in two or more counterparts, each of which will be deemed to be an original. A signature transmitted by facsimile will be deemed an original signature.
- (6) If the Treasury does not purchase the securities contemplated by the Participation Agreement, then this letter shall be of no force or effect. In addition, upon such time as the Treasury no longer holds securities or debt of the Company acquired under the CPP, this letter shall be of no further force or effect, except to the extent required by the CPP Limitations. If you cease to be a senior executive officer of the Company for purposes of the CPP, you shall be released from the restrictions and obligations set forth in this letter to the extent permissible under the CPP. If it is determined that you are not a senior executive officer of the Company as of the date hereof, this letter shall be of no force or effect.

The Company appreciates the concessions you are making and looks forward to your continued leadership during these financially turbulent times.

[Signature page follows]

TARP EXHIBIT E

Sincerely,

SCBT FINANCIAL CORPORATION

By: _____

Name: John C. Pollok

Title: Chief Financial Officer

Intending to be legally bound, I agree with and accept the foregoing terms on the date set forth below.

By: _____

Name:

Title:

Date:

TARP EXHIBIT E

Amendments to Certain Compensation Arrangements

January 16, 2009

John C. Pollok
SCBT Financial Corporation
520 Gervais Street
Columbia, South Carolina 29201

Dear John,

SCBT Financial Corporation (the "Company") anticipates entering into a Securities Purchase Agreement (the "Participation Agreement") with the United States Department of Treasury (the "Treasury") that provides, among other things, for the purchase by the Treasury of securities issued by the Company. This purchase is anticipated to occur as part of the Company's participation in the Treasury's Troubled Asset Relief Program - Capital Purchase Program (the "CPP").

As a condition to the closing of the investment contemplated by the Participation Agreement, the Company is required to take certain actions with respect to compensation arrangements of its senior executive officers. The Company has determined that you are or may be a senior executive officer for purposes of the CPP. To comply with the requirements of the CPP, and in consideration of the benefits that you will receive as a result of the Company's participation in the CPP and for other good and valuable consideration, the sufficiency of which you hereby acknowledge, you agree as follows:

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- (3) Compensation Program Amendments. Each of the Company's compensation, bonus, incentive and other benefit plans, arrangements and agreements, including your Employment Agreement (all such plans, arrangements and agreements, the "Benefit Plans") are hereby amended to the extent necessary to give effect to provisions (1) and (2) of this letter.

The Company is also required as a condition to participation in the CPP to review the Benefit Plans to ensure that the Benefit Plans do not encourage its senior executive officers to take unnecessary and excessive risks that threaten the value of the Company. To the extent that the Company determines that the Benefit Plans must be revised as a result of such review, or determines that the Benefit Plans must otherwise be revised to comply with Section 111(b) of the EESA (as defined below) as implemented by any guidance or regulation thereunder that has been issued and is in effect as of the closing date of the Company's issuance of preferred stock and warrants to acquire common stock to the Treasury pursuant to

TARP EXHIBIT E

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[Signature page follows]

TARP EXHIBIT E

Sincerely,

SCBT FINANCIAL CORPORATION

By: _____
Name: Robert R. Hill, Jr.
Title: President and Chief Executive Officer

Intending to be legally bound, I agree with and accept the foregoing terms on the date set forth below.

By: _____

Name: John C. Pollok
Title: Senior Executive Vice President,
Chief Operating Officer, and Chief Financial Officer
Date: January 16, 2009

TARP EXHIBIT E

Amendments to Certain Compensation Arrangements

January 16, 2009

John F. Windley
SCBT Financial Corporation
520 Gervais Street
Columbia, South Carolina 29201

Dear John,

SCBT Financial Corporation (the "Company") anticipates entering into a Securities Purchase Agreement (the "Participation Agreement") with the United States Department of Treasury (the "Treasury") that provides, among other things, for the purchase by the Treasury of securities issued by the Company. This purchase is anticipated to occur as part of the Company's participation in the Treasury's Troubled Asset Relief Program - Capital Purchase Program (the "CPP").

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TARP EXHIBIT E

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The Company appreciates the concessions you are making and looks forward to your continued leadership during these financially turbulent times.

[Signature page follows]

TARP EXHIBIT E

Sincerely,

SCBT FINANCIAL CORPORATION

By: _____
Name: Robert R. Hill, Jr.
Title: President and Chief Executive Officer

Intending to be legally bound, I agree with and accept the foregoing terms on the date set forth below.

By: _____

Name: John F. Windley
Title: President of SCBT, National Association
Date: January 16, 2009

TARP EXHIBIT E

Amendments to Certain Compensation Arrangements

January 16, 2009

Thomas S. Camp
SCBT Financial Corporation
520 Gervais Street
Columbia, South Carolina 29201

Dear Thomas,

SCBT Financial Corporation (the "Company") anticipates entering into a Securities Purchase Agreement (the "Participation Agreement") with the United States Department of Treasury (the "Treasury") that provides, among other things, for the purchase by the Treasury of securities issued by the Company. This purchase is anticipated to occur as part of the Company's participation in the Treasury's Troubled Asset Relief Program - Capital Purchase Program (the "CPP").

As a condition to the closing of the investment contemplated by the Participation Agreement, the Company is required to take certain actions with respect to compensation arrangements of its senior executive officers. The Company has determined that you are or may be a senior executive officer for purposes of the CPP. To comply with the requirements of the CPP, and in consideration of the benefits that you will receive as a result of the Company's participation in the CPP and for other good and valuable consideration, the sufficiency of which you hereby acknowledge, you agree as follows:

- (1) No Golden Parachute Payments. You will not be entitled to receive from the Company any golden parachute payment (as defined below) during any period in which the Treasury holds an equity or debt position acquired from the Company in the CPP (the "CPP Covered Period") (or during the year following any acquisition of the Company, to the extent required by the CPP Limitations (as defined below)).
- (2) Recovery of Bonus and Incentive Compensation. You will be required to and shall return to the Company any bonus or incentive compensation paid to you by the Company during the CPP Covered Period if such bonus or incentive compensation is paid to you based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria.
- (3) Compensation Program Amendments. Each of the Company's compensation, bonus, incentive and other benefit plans, arrangements and agreements, including your Employment Agreement (all such plans, arrangements and agreements, the "Benefit Plans") are hereby amended to the extent necessary to give effect to provisions (1) and (2) of this letter.

The Company is also required as a condition to participation in the CPP to review the Benefit Plans to ensure that the Benefit Plans do not encourage its senior executive officers to take unnecessary and excessive risks that threaten the value of the Company. To the extent that the Company determines that the Benefit Plans must be revised as a result of such review, or determines that the Benefit Plans must otherwise be revised to comply with Section 111(b) of the EESA (as defined below) as implemented by any guidance or regulation thereunder that has been issued and is in effect as of the closing date of the Company's issuance of preferred stock and warrants to acquire common stock to the Treasury pursuant to

TARP EXHIBIT E

the CPP (the “CPP Limitations”), you and the Company agree to negotiate and effect such changes promptly and in good faith.

- (4) Definitions and Interpretation. This letter shall be interpreted as follows:
- “Senior executive officer” means the Company’s “senior executive officers” as defined in Q&A 2 of the Interim Final Rule issued by the Treasury at 31 CFR Part 30, effective on October 20, 2008 (the “Interim Final Rule”).
 - “Golden parachute payment” shall have the meaning set forth in Q&A 9 of the Interim Final Rule.
 - The term “Company” includes any entities treated as a single employer with the Company under Q&A 1 and Q&A 11 of the Interim Final Rule.
 - This letter is intended to, and shall be interpreted, administered and construed to comply with Section 111 of the Emergency Economic Stabilization Act of 2008 (the “EESA”) and the regulations and guidance promulgated thereunder (and, to the maximum extent consistent with the preceding, to permit operation of the Benefit Plans in accordance with their terms before giving effect to this letter).
- (5) Miscellaneous. To the extent not subject to federal law, this letter will be governed by and construed in accordance with the laws of the State of South Carolina. This letter may be executed in two or more counterparts, each of which will be deemed to be an original. A signature transmitted by facsimile will be deemed an original signature.
- (6) If the Treasury does not purchase the securities contemplated by the Participation Agreement, then this letter shall be of no force or effect. In addition, upon such time as the Treasury no longer holds securities or debt of the Company acquired under the CPP, this letter shall be of no further force or effect, except to the extent required by the CPP Limitations. If you cease to be a senior executive officer of the Company for purposes of the CPP, you shall be released from the restrictions and obligations set forth in this letter to the extent permissible under the CPP. If it is determined that you are not a senior executive officer of the Company as of the date hereof, this letter shall be of no force or effect.

The Company appreciates the concessions you are making and looks forward to your continued leadership during these financially turbulent times.

[Signature page follows]

TARP EXHIBIT E

Sincerely,

SCBT FINANCIAL CORPORATION

By: _____
Name: Robert R. Hill, Jr.
Title: President and Chief Executive Officer

Intending to be legally bound, I agree with and accept the foregoing terms on the date set forth below.

By: _____

Name: Thomas S. Camp
Title: President and Chief Executive Officer of
South Carolina Bank and Trust of the Piedmont, N.A.
Date: January 16, 2009

TARP EXHIBIT E

Amendments to Certain Compensation Arrangements

January 16, 2009

Joe E. Burns
SCBT Financial Corporation
520 Gervais Street
Columbia, South Carolina 29201

Dear Joe,

SCBT Financial Corporation (the "Company") anticipates entering into a Securities Purchase Agreement (the "Participation Agreement") with the United States Department of Treasury (the "Treasury") that provides, among other things, for the purchase by the Treasury of securities issued by the Company. This purchase is anticipated to occur as part of the Company's participation in the Treasury's Troubled Asset Relief Program - Capital Purchase Program (the "CPP").

As a condition to the closing of the investment contemplated by the Participation Agreement, the Company is required to take certain actions with respect to compensation arrangements of its senior executive officers. The Company has determined that you are or may be a senior executive officer for purposes of the CPP. To comply with the requirements of the CPP, and in consideration of the benefits that you will receive as a result of the Company's participation in the CPP and for other good and valuable consideration, the sufficiency of which you hereby acknowledge, you agree as follows:

- (1) No Golden Parachute Payments. You will not be entitled to receive from the Company any golden parachute payment (as defined below) during any period in which the Treasury holds an equity or debt position acquired from the Company in the CPP (the "CPP Covered Period") (or during the year following any acquisition of the Company, to the extent required by the CPP Limitations (as defined below)).
- (2) Recovery of Bonus and Incentive Compensation. You will be required to and shall return to the Company any bonus or incentive compensation paid to you by the Company during the CPP Covered Period if such bonus or incentive compensation is paid to you based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria.
- (3) Compensation Program Amendments. Each of the Company's compensation, bonus, incentive and other benefit plans, arrangements and agreements, including your Employment Agreement (all such plans, arrangements and agreements, the "Benefit Plans") are hereby amended to the extent necessary to give effect to provisions (1) and (2) of this letter.

The Company is also required as a condition to participation in the CPP to review the Benefit Plans to ensure that the Benefit Plans do not encourage its senior executive officers to take unnecessary and excessive risks that threaten the value of the Company. To the extent that the Company determines that the Benefit Plans must be revised as a result of such review, or determines that the Benefit Plans must otherwise be revised to comply with Section 111(b) of the EESA (as defined below) as implemented by any guidance or regulation thereunder that has been issued and is in effect as of the closing date of the Company's issuance of preferred stock and warrants to acquire common stock to the Treasury pursuant to

TARP EXHIBIT E

the CPP (the “CPP Limitations”), you and the Company agree to negotiate and effect such changes promptly and in good faith.

- (4) Definitions and Interpretation. This letter shall be interpreted as follows:
- “Senior executive officer” means the Company’s “senior executive officers” as defined in Q&A 2 of the Interim Final Rule issued by the Treasury at 31 CFR Part 30, effective on October 20, 2008 (the “Interim Final Rule”).
 - “Golden parachute payment” shall have the meaning set forth in Q&A 9 of the Interim Final Rule.
 - The term “Company” includes any entities treated as a single employer with the Company under Q&A 1 and Q&A 11 of the Interim Final Rule.
 - This letter is intended to, and shall be interpreted, administered and construed to comply with Section 111 of the Emergency Economic Stabilization Act of 2008 (the “EESA”) and the regulations and guidance promulgated thereunder (and, to the maximum extent consistent with the preceding, to permit operation of the Benefit Plans in accordance with their terms before giving effect to this letter).
- (5) Miscellaneous. To the extent not subject to federal law, this letter will be governed by and construed in accordance with the laws of the State of South Carolina. This letter may be executed in two or more counterparts, each of which will be deemed to be an original. A signature transmitted by facsimile will be deemed an original signature.
- (6) If the Treasury does not purchase the securities contemplated by the Participation Agreement, then this letter shall be of no force or effect. In addition, upon such time as the Treasury no longer holds securities or debt of the Company acquired under the CPP, this letter shall be of no further force or effect, except to the extent required by the CPP Limitations. If you cease to be a senior executive officer of the Company for purposes of the CPP, you shall be released from the restrictions and obligations set forth in this letter to the extent permissible under the CPP. If it is determined that you are not a senior executive officer of the Company as of the date hereof, this letter shall be of no force or effect.

The Company appreciates the concessions you are making and looks forward to your continued leadership during these financially turbulent times.

[Signature page follows]

TARP EXHIBIT E

Sincerely,

SCBT FINANCIAL CORPORATION

By: _____
Name: Robert R. Hill, Jr.
Title: President and Chief Executive Officer

Intending to be legally bound, I agree with and accept the foregoing terms on the date set forth below.

By: _____

Name: Joe E. Burns
Title: Senior Executive Vice President,
and Chief Credit Officer
Date: January 16, 2009

EXHIBIT F

EX-10.8 9 a5267385ex10_8.htm EXHIBIT 10.8

Exhibit 10.8

**SOUTH CAROLINA BANK AND TRUST, NATIONAL ASSOCIATION
AMENDED AND RESTATED SUPPLEMENTAL EXECUTIVE RETIREMENT AGREEMENT**

This Amended & Restated Supplemental Executive Retirement Agreement (the "Agreement") is adopted this 1st day of November, 2006, by and between SOUTH CAROLINA BANK AND TRUST, NATIONAL ASSOCIATION, a national commercial bank located in Orangeburg, South Carolina (the "Bank") and ROBERT R. HILL, JR. (the "Executive").

This Agreement amends and restates the prior Supplemental Executive Retirement Agreement between the Bank and the Executive dated January 2, 2003 (the "Prior Agreement").

The parties intend this Amended and Restated Agreement to be a material modification of the Prior Agreement such that all amounts earned and vested prior to December 31, 2004 shall be subject to the provisions of Section 409A of the Code and the regulations promulgated thereunder.

The purpose of this Agreement is to provide specified benefits to the Executive, a member of a select group of management or highly compensated employees who contribute materially to the continued growth, development, and future business success of the Bank. This Agreement shall be unfunded for tax purposes and for purposes of Title I of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended from time to time.

**Article 1
Definitions**

Whenever used in this Agreement, the following words and phrases shall have the meanings specified:

- 1.1 "Base Benefit Amount" means, with respect to the Employee, a maximum annual benefit of One Hundred Eighty Five Thousand Dollars (\$185,000).
 - 1.2 "Beneficiary" means each designated person, or the estate of the deceased Executive, entitled to benefits, if any, upon the death of the Executive determined pursuant to Article 4.
 - 1.3 "Beneficiary Designation Form" means the form established from time to time by the Plan Administrator that the Executive completes, signs, and returns to the Plan Administrator to designate one or more Beneficiaries.
 - 1.4 "Board" means the Board of Directors of the Bank as from time to time constituted.
 - 1.5 "Change in Control" means:
-

EX-10.9 10 a5267385ex10_9.htm EXHIBIT 10.9

Exhibit 10.9

**SOUTH CAROLINA BANK AND TRUST, NATIONAL ASSOCIATION
AMENDED AND RESTATED SUPPLEMENTAL EXECUTIVE RETIREMENT AGREEMENT**

This Amended & Restated Supplemental Executive Retirement Agreement (the "Agreement") is adopted this 1st day of November, 2006, by and between SOUTH CAROLINA BANK AND TRUST, NATIONAL ASSOCIATION, a national commercial bank located in Orangeburg, South Carolina (the "Bank") and JOHN C. POLLOK (the "Executive").

This Agreement amends and restates the prior Supplemental Executive Retirement Agreement between the Bank and the Executive dated January 2, 2003 (the "Prior Agreement").

The parties intend this Amended and Restated Agreement to be a material modification of the Prior Agreement such that all amounts earned and vested prior to December 31, 2004 shall be subject to the provisions of Section 409A of the Code and the regulations promulgated thereunder.

The purpose of this Agreement is to provide specified benefits to the Executive, a member of a select group of management or highly compensated employees who contribute materially to the continued growth, development, and future business success of the Bank. This Agreement shall be unfunded for tax purposes and for purposes of Title I of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended from time to time.

**Article 1
Definitions**

Whenever used in this Agreement, the following words and phrases shall have the meanings specified:

- 1.1 "Base Benefit Amount" means, with respect to the Employee, a maximum annual benefit of One Hundred Sixty Five Thousand Dollars (\$165,000).
 - 1.2 "Beneficiary" means each designated person, or the estate of the deceased Executive, entitled to benefits, if any, upon the death of the Executive determined pursuant to Article 4.
 - 1.3 "Beneficiary Designation Form" means the form established from time to time by the Plan Administrator that the Executive completes, signs, and returns to the Plan Administrator to designate one or more Beneficiaries.
 - 1.4 "Board" means the Board of Directors of the Bank as from time to time constituted.
 - 1.5 "Change in Control" means:
-

EX-10.12 13 a5267385ex10_12.htm EXHIBIT 10.12

Exhibit 10.12

**SOUTH CAROLINA BANK AND TRUST, NATIONAL ASSOCIATION
AMENDED AND RESTATED SUPPLEMENTAL EXECUTIVE RETIREMENT AGREEMENT**

This Amended & Restated Supplemental Executive Retirement Agreement (the "Agreement") is adopted this 1st day of November, 2006, by and between SOUTH CAROLINA BANK AND TRUST, NATIONAL ASSOCIATION, a national commercial bank located in Orangeburg, South Carolina (the "Bank") and JOSEPH EDWARD BURNS (the "Executive").

This Agreement amends and restates the prior Supplemental Executive Retirement Agreement between the Bank and the Executive dated January 2, 2003 (the "Prior Agreement").

The parties intend this Amended and Restated Agreement to be a material modification of the Prior Agreement such that all amounts earned and vested prior to December 31, 2004 shall be subject to the provisions of Section 409A of the Code and the regulations promulgated thereunder.

The purpose of this Agreement is to provide specified benefits to the Executive, a member of a select group of management or highly compensated employees who contribute materially to the continued growth, development, and future business success of the Bank. This Agreement shall be unfunded for tax purposes and for purposes of Title I of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended from time to time.

**Article I
Definitions**

Whenever used in this Agreement, the following words and phrases shall have the meanings specified:

- 1.1 "Base Benefit Amount" means, with respect to the Employee, a maximum annual benefit of Fifty Thousand Dollars (\$50,000).
 - 1.2 "Beneficiary" means each designated person, or the estate of the deceased Executive, entitled to benefits, if any, upon the death of the Executive determined pursuant to Article 4.
 - 1.3 "Beneficiary Designation Form" means the form established from time to time by the Plan Administrator that the Executive completes, signs, and returns to the Plan Administrator to designate one or more Beneficiaries.
 - 1.4 "Board" means the Board of Directors of the Bank as from time to time constituted.
 - 1.5 "Change in Control" means:
-

EXHIBIT G
RESTRICTED STOCK AGREEMENT

THIS RESTRICTED STOCK AGREEMENT (the “**Agreement**”), effective as of January 22, 2009 (the “**Effective Date**”), is between **SCBT FINANCIAL CORPORATION**, a South Carolina corporation (the “**Corporation**”), and Robert R. Hill, Jr., an individual residing in Richland County, South Carolina (“**Employee**”).

Section 1. Purpose. The purpose of this Agreement is to award (the “**Award**”) to Employee restricted shares of Common Stock, par value \$2.50 per share, of the Corporation (“**Common Stock**”) pursuant to the 2004 SCBT Financial Corporation Stock Incentive Plan, a copy of which is attached as Exhibit A (the “**Plan**”). This Award is made to recognize and reward Employee for his service to the Corporation or one of its subsidiaries. The Corporation is authorized to grant equity awards under the Plan only at such times that its lead bank subsidiary has a continuous and appropriate rating for bank safety and soundness (as defined and determined by the compensation committee of the Corporation’s board of directors), and the compensation committee has made a determination that the Corporation is eligible at this time to grant this Award to the Employee.

Section 2. Award of Restricted Stock. The Corporation hereby awards and issues to Employee 30,780 shares of Common Stock (the “**Shares**”) pursuant to the Plan. The Shares shall be duly paid and nonassessable and shall be subject to the restrictions and limitations set forth herein.

Section 3. Restrictions. Prior to the vesting of the Shares, as set forth in **Section 4** hereof:

(a) the Shares shall not be transferable and shall not be sold, exchanged, transferred, assigned, pledged, hypothecated or otherwise disposed of; and

(b) the stock certificate(s) evidencing the Shares shall contain the following legend:

“The shares represented by this certificate are subject to the terms of a Restricted Stock Agreement effective as of January 22, 2009, a copy of which is available at the principal office of the corporation.”

Except as expressly stated herein, Employee shall have all rights as a shareholder with respect to the Shares, commencing as of the date of issuance thereof and continuing for so long as Employee remains the record owner of the Shares, including the right to receive dividends in cash or other property and other distributions or rights in respect of the Shares and to vote the Shares as the record owner thereof.

Section 4. Vesting. The restrictions described in **Section 3** shall lapse and the Shares shall vest in Employee on the following dates:

(a) 1,726 Shares shall vest in Employee on December 31st of each year beginning December 31, 2009 through December 31, 2025;

(b) 1,438 Shares shall vest in Employee on October 31, 2026 (month in which employee reaches age 60);

(c) if Employee's employment is terminated either due to death or disability (as determined in good faith by the board of directors), then all of the Shares shall vest in Employee immediately upon such termination of employment; and

(d) at any time immediately prior to consummation of a Change of Control (as defined in the Plan), to the extent of any and all unvested Shares as of such time.

Upon the vesting of any Shares, Employee shall be entitled to have book-entry restricted shares transferred to a non-restricted class, or shall be entitled to receive replacement stock certificate(s) evidencing such vested Shares and such certificate(s) shall not contain the legend set forth in **Section 3(b)**. However, any replacement stock certificate(s) issued to an employee *who is a director or an executive officer of the Corporation* shall bear the following legend:

“The shares evidenced by this certificate were originally acquired from the issuer by an “affiliate” of the issuer as defined in Rule 144(a)(1) promulgated under the Securities Act of 1933 (the “1933 Act”) and may not be transferred, nor will any assignee or endorsee hereof be recognized as an owner hereof by the issuer for any purpose, unless a registration statement under the 1933 Act with respect to such shares shall then be in effect, or unless the availability of an exemption from registration with respect to any proposed transfer or disposition of such shares shall be established to the satisfaction of the issuer.”

Section 5. Forfeiture. If, prior to a Change of Control (as defined in the Plan) occurring after the date of this Agreement or prior to the death of Employee, the employment of Employee with the Corporation and its subsidiaries is terminated voluntarily on the part of the Employee and without the written consent of the Corporation or by the Corporation with cause (as such term is defined in the Employee's employment agreement with the Corporation as then in effect, if any), then all of the Shares that are not vested under **Section 4** as of the date of termination shall be forfeited to the Corporation (such event being referred to herein as a “**Forfeiture Event**”). Upon the occurrence of a Forfeiture Event, Employee shall return for cancellation all stock certificates representing unvested Shares, and irrespective of whether such stock certificates are so returned and cancelled, all unvested Shares shall automatically, without further action, be cancelled and shall no longer be issued and outstanding.

Section 6. Taxes.

(a) If Employee properly elects, within 30 days of the date on which he acquires the Shares, to include in gross income for federal income tax purposes an amount equal to the fair market value (as of the date of issuance) of the Shares granted pursuant to this Agreement, Employee shall pay to the Corporation, in the year of this Agreement, all federal, state and local taxes required to be withheld with respect to the grant of the Shares. If Employee fails to make such tax payments as required, the Corporation shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to Employee all federal, state and local taxes of any kind required by law to be withheld with respect to the Shares.

(b) If Employee does not make the election described in subparagraph (a) of this section, he shall, on the date as to which the restrictions described in **Section 3** shall lapse as to any Shares, pay to the Corporation all federal, state and local taxes of any kind

required by law to be withheld with respect to such vested Shares. If Employee fails to make such payments as required, the Corporation shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to Employee all federal, state and local taxes of any kind required by law to be withheld with respect to such vested Shares.

Section 7. Miscellaneous.

(a) This Agreement shall be construed, administered and governed in all respects under and by the applicable internal laws of the State of South Carolina, without giving effect to the principles of conflicts of laws thereof.

(b) This Agreement expresses the entire agreement between the parties hereto and supersedes any prior or contemporaneous written or oral understanding or agreement regarding the subject matter hereof. This Agreement may not be modified, amended, supplemented or waived except by a writing signed by the parties hereto, and such writing must refer specifically to this Agreement.


(c) This Agreement, as amended from time to time, shall be binding upon, inure to the benefit of and be enforceable by the heirs, successors and assigns of the parties hereto; provided, however, that this provision shall not permit any assignment in contravention of the terms contained elsewhere herein.

(d) Nothing in this Agreement shall confer on Employee any right to continue in the employ of the Corporation or any of its subsidiaries.

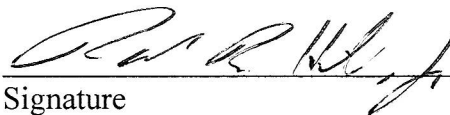
(e) This Agreement is made pursuant to and is subject to the terms and conditions of the Plan, which is incorporated herein by reference.

IN WITNESS WHEREOF, this Agreement has been duly executed and has an effective date of the 22nd day of January, 2009.

SCBT FINANCIAL CORPORATION,
a South Carolina corporation

By: 
Name: Robert R. Horger
Title: Chairman
SCBT Financial Corporation

EMPLOYEE


Signature

Print Name: Robert R. Hill, Jr.

Date Signed: 1/22/09

Exhibit A
Stock Incentive Plan

RESTRICTED STOCK AGREEMENT

THIS RESTRICTED STOCK AGREEMENT (the “**Agreement**”), effective as of January 22, 2009 (the “**Effective Date**”), is between **SCBT FINANCIAL CORPORATION**, a South Carolina corporation (the “**Corporation**”), and John C. Pollok, an individual residing in Richland County, South Carolina (“**Employee**”).

Section 1. Purpose. The purpose of this Agreement is to award (the “**Award**”) to Employee restricted shares of Common Stock, par value \$2.50 per share, of the Corporation (“**Common Stock**”) pursuant to the 2004 SCBT Financial Corporation Stock Incentive Plan, a copy of which is attached as Exhibit A (the “**Plan**”). This Award is made to recognize and reward Employee for his service to the Corporation or one of its subsidiaries. The Corporation is authorized to grant equity awards under the Plan only at such times that its lead bank subsidiary has a continuous and appropriate rating for bank safety and soundness (as defined and determined by the compensation committee of the Corporation’s board of directors), and the compensation committee has made a determination that the Corporation is eligible at this time to grant this Award to the Employee.

Section 2. Award of Restricted Stock. The Corporation hereby awards and issues to Employee 28,265 shares of Common Stock (the “**Shares**”) pursuant to the Plan. The Shares shall be duly paid and nonassessable and shall be subject to the restrictions and limitations set forth herein.

Section 3. Restrictions. Prior to the vesting of the Shares, as set forth in **Section 4** hereof:

(a) the Shares shall not be transferable and shall not be sold, exchanged, transferred, assigned, pledged, hypothecated or otherwise disposed of; and

(b) the stock certificate(s) evidencing the Shares shall contain the following legend:

“The shares represented by this certificate are subject to the terms of a Restricted Stock Agreement effective as of January 22, 2009, a copy of which is available at the principal office of the corporation.”

Except as expressly stated herein, Employee shall have all rights as a shareholder with respect to the Shares, commencing as of the date of issuance thereof and continuing for so long as Employee remains the record owner of the Shares, including the right to receive dividends in cash or other property and other distributions or rights in respect of the Shares and to vote the Shares as the record owner thereof.

Section 4. Vesting. The restrictions described in **Section 3** shall lapse and the Shares shall vest in Employee on the following dates:

(a) 1,679 Shares shall vest in Employee on December 31st of each year beginning December 31, 2009 through December 31, 2024;

(b) 1,401 Shares shall vest in Employee on October 31, 2025 (month in which employee reaches age 60);

(c) if Employee's employment is terminated either due to death or disability (as determined in good faith by the board of directors), then all of the Shares shall vest in Employee immediately upon such termination of employment; and

(d) at any time immediately prior to consummation of a Change of Control (as defined in the Plan), to the extent of any and all unvested Shares as of such time.

Upon the vesting of any Shares, Employee shall be entitled to have book-entry restricted shares transferred to a non-restricted class, or shall be entitled to receive replacement stock certificate(s) evidencing such vested Shares and such certificate(s) shall not contain the legend set forth in **Section 3(b)**. However, any replacement stock certificate(s) issued to an employee *who is a director or an executive officer of the Corporation* shall bear the following legend:

“The shares evidenced by this certificate were originally acquired from the issuer by an “affiliate” of the issuer as defined in Rule 144(a)(1) promulgated under the Securities Act of 1933 (the “1933 Act”) and may not be transferred, nor will any assignee or endorsee hereof be recognized as an owner hereof by the issuer for any purpose, unless a registration statement under the 1933 Act with respect to such shares shall then be in effect, or unless the availability of an exemption from registration with respect to any proposed transfer or disposition of such shares shall be established to the satisfaction of the issuer.”

Section 5. Forfeiture. If, prior to a Change of Control (as defined in the Plan) occurring after the date of this Agreement or prior to the death of Employee, the employment of Employee with the Corporation and its subsidiaries is terminated voluntarily on the part of the Employee and without the written consent of the Corporation or by the Corporation with cause (as such term is defined in the Employee's employment agreement with the Corporation as then in effect, if any), then all of the Shares that are not vested under **Section 4** as of the date of termination shall be forfeited to the Corporation (such event being referred to herein as a “**Forfeiture Event**”). Upon the occurrence of a Forfeiture Event, Employee shall return for cancellation all stock certificates representing unvested Shares, and irrespective of whether such stock certificates are so returned and cancelled, all unvested Shares shall automatically, without further action, be cancelled and shall no longer be issued and outstanding.

Section 6. Taxes.

(a) If Employee properly elects, within 30 days of the date on which he acquires the Shares, to include in gross income for federal income tax purposes an amount equal to the fair market value (as of the date of issuance) of the Shares granted pursuant to this Agreement, Employee shall pay to the Corporation, in the year of this Agreement, all federal, state and local taxes required to be withheld with respect to the grant of the Shares. If Employee fails to make such tax payments as required, the Corporation shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to Employee all federal, state and local taxes of any kind required by law to be withheld with respect to the Shares.

(b) If Employee does not make the election described in subparagraph (a) of this section, he shall, on the date as to which the restrictions described in **Section 3** shall lapse as to any Shares, pay to the Corporation all federal, state and local taxes of any kind

required by law to be withheld with respect to such vested Shares. If Employee fails to make such payments as required, the Corporation shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to Employee all federal, state and local taxes of any kind required by law to be withheld with respect to such vested Shares.

Section 7. Miscellaneous.

(a) This Agreement shall be construed, administered and governed in all respects under and by the applicable internal laws of the State of South Carolina, without giving effect to the principles of conflicts of laws thereof.

(b) This Agreement expresses the entire agreement between the parties hereto and supersedes any prior or contemporaneous written or oral understanding or agreement regarding the subject matter hereof. This Agreement may not be modified, amended, supplemented or waived except by a writing signed by the parties hereto, and such writing must refer specifically to this Agreement.


(c) This Agreement, as amended from time to time, shall be binding upon, inure to the benefit of and be enforceable by the heirs, successors and assigns of the parties hereto; provided, however, that this provision shall not permit any assignment in contravention of the terms contained elsewhere herein.

(d) Nothing in this Agreement shall confer on Employee any right to continue in the employ of the Corporation or any of its subsidiaries.

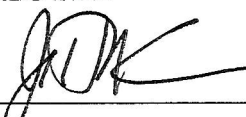
(e) This Agreement is made pursuant to and is subject to the terms and conditions of the Plan, which is incorporated herein by reference.

IN WITNESS WHEREOF, this Agreement has been duly executed and has an effective date of the 22nd day of January, 2009.

SCBT FINANCIAL CORPORATION,
a South Carolina corporation

By: 
Name: Robert R. Hill, Jr.
Title: President and CEO
SCBT Financial Corporation

EMPLOYEE


Signature

Print Name: John C Pollak

Date Signed: 2/2/09

Exhibit A
Stock Incentive Plan

RESTRICTED STOCK AGREEMENT

THIS RESTRICTED STOCK AGREEMENT (the “**Agreement**”), effective as of January 22, 2009 (the “**Effective Date**”), is between **SCBT FINANCIAL CORPORATION**, a South Carolina corporation (the “**Corporation**”), and Joe E. Burns, an individual residing in Richland County, South Carolina (“**Employee**”).

Section 1. Purpose. The purpose of this Agreement is to award (the “**Award**”) to Employee restricted shares of Common Stock, par value \$2.50 per share, of the Corporation (“**Common Stock**”) pursuant to the 2004 SCBT Financial Corporation Stock Incentive Plan, a copy of which is attached as Exhibit A (the “**Plan**”). This Award is made to recognize and reward Employee for his service to the Corporation or one of its subsidiaries. The Corporation is authorized to grant equity awards under the Plan only at such times that its lead bank subsidiary has a continuous and appropriate rating for bank safety and soundness (as defined and determined by the compensation committee of the Corporation’s board of directors), and the compensation committee has made a determination that the Corporation is eligible at this time to grant this Award to the Employee.

Section 2. Award of Restricted Stock. The Corporation hereby awards and issues to Employee 10,555 shares of Common Stock (the “**Shares**”) pursuant to the Plan. The Shares shall be duly paid and nonassessable and shall be subject to the restrictions and limitations set forth herein.

Section 3. Restrictions. Prior to the vesting of the Shares, as set forth in **Section 4** hereof:

(a) the Shares shall not be transferable and shall not be sold, exchanged, transferred, assigned, pledged, hypothecated or otherwise disposed of; and

(b) the stock certificate(s) evidencing the Shares shall contain the following legend:

“The shares represented by this certificate are subject to the terms of a Restricted Stock Agreement effective as of January 22, 2009, a copy of which is available at the principal office of the corporation.”

Except as expressly stated herein, Employee shall have all rights as a shareholder with respect to the Shares, commencing as of the date of issuance thereof and continuing for so long as Employee remains the record owner of the Shares, including the right to receive dividends in cash or other property and other distributions or rights in respect of the Shares and to vote the Shares as the record owner thereof.

Section 4. Vesting. The restrictions described in **Section 3** shall lapse and the Shares shall vest in Employee on the following dates:

(a) 990 Shares shall vest in Employee on December 31st of each year beginning December 31, 2009 through December 31, 2018;

(b) 655 Shares shall vest in Employee on August 31, 2019 (month in which employee reaches age 65);

(c) if Employee's employment is terminated either due to death or disability (as determined in good faith by the board of directors), then all of the Shares shall vest in Employee immediately upon such termination of employment; and

(d) at any time immediately prior to consummation of a Change of Control (as defined in the Plan), to the extent of any and all unvested Shares as of such time.

Upon the vesting of any Shares, Employee shall be entitled to have book-entry restricted shares transferred to a non-restricted class, or shall be entitled to receive replacement stock certificate(s) evidencing such vested Shares and such certificate(s) shall not contain the legend set forth in **Section 3(b)**. However, any replacement stock certificate(s) issued to an employee *who is a director or an executive officer of the Corporation* shall bear the following legend:

"The shares evidenced by this certificate were originally acquired from the issuer by an "affiliate" of the issuer as defined in Rule 144(a)(1) promulgated under the Securities Act of 1933 (the "1933 Act") and may not be transferred, nor will any assignee or endorsee hereof be recognized as an owner hereof by the issuer for any purpose, unless a registration statement under the 1933 Act with respect to such shares shall then be in effect, or unless the availability of an exemption from registration with respect to any proposed transfer or disposition of such shares shall be established to the satisfaction of the issuer."

Section 5. Forfeiture. If, prior to a Change of Control (as defined in the Plan) occurring after the date of this Agreement or prior to the death of Employee, the employment of Employee with the Corporation and its subsidiaries is terminated voluntarily on the part of the Employee and without the written consent of the Corporation or by the Corporation with cause (as such term is defined in the Employee's employment agreement with the Corporation as then in effect, if any), then all of the Shares that are not vested under **Section 4** as of the date of termination shall be forfeited to the Corporation (such event being referred to herein as a "**Forfeiture Event**"). Upon the occurrence of a Forfeiture Event, Employee shall return for cancellation all stock certificates representing unvested Shares, and irrespective of whether such stock certificates are so returned and cancelled, all unvested Shares shall automatically, without further action, be cancelled and shall no longer be issued and outstanding.

Section 6. Taxes.

(a) If Employee properly elects, within 30 days of the date on which he acquires the Shares, to include in gross income for federal income tax purposes an amount equal to the fair market value (as of the date of issuance) of the Shares granted pursuant to this Agreement, Employee shall pay to the Corporation, in the year of this Agreement, all federal, state and local taxes required to be withheld with respect to the grant of the Shares. If Employee fails to make such tax payments as required, the Corporation shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to Employee all federal, state and local taxes of any kind required by law to be withheld with respect to the Shares.

(b) If Employee does not make the election described in subparagraph (a) of this section, he shall, on the date as to which the restrictions described in **Section 3** shall lapse as to any Shares, pay to the Corporation all federal, state and local taxes of any kind

required by law to be withheld with respect to such vested Shares. If Employee fails to make such payments as required, the Corporation shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to Employee all federal, state and local taxes of any kind required by law to be withheld with respect to such vested Shares.

Section 7. Miscellaneous.

(a) This Agreement shall be construed, administered and governed in all respects under and by the applicable internal laws of the State of South Carolina, without giving effect to the principles of conflicts of laws thereof.

(b) This Agreement expresses the entire agreement between the parties hereto and supersedes any prior or contemporaneous written or oral understanding or agreement regarding the subject matter hereof. This Agreement may not be modified, amended, supplemented or waived except by a writing signed by the parties hereto, and such writing must refer specifically to this Agreement.

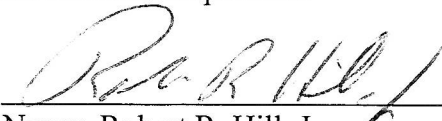
(c) This Agreement, as amended from time to time, shall be binding upon, inure to the benefit of and be enforceable by the heirs, successors and assigns of the parties hereto; provided, however, that this provision shall not permit any assignment in contravention of the terms contained elsewhere herein.

(d) Nothing in this Agreement shall confer on Employee any right to continue in the employ of the Corporation or any of its subsidiaries.

(e) This Agreement is made pursuant to and is subject to the terms and conditions of the Plan, which is incorporated herein by reference.

IN WITNESS WHEREOF, this Agreement has been duly executed and has an effective date of the 22nd day of January, 2009.

SCBT FINANCIAL CORPORATION,
a South Carolina corporation

By: 
Name: Robert R. Hill, Jr.
Title: President and CEO
SCBT Financial Corporation

EMPLOYEE



Signature

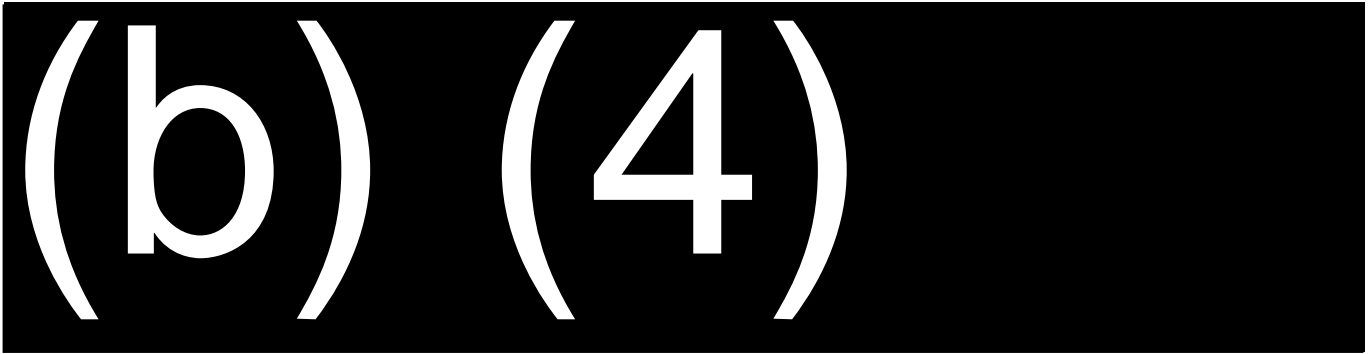
Print Name: Joe E. Burns

Date Signed: 2/13/09

Exhibit A
Stock Incentive Plan

EXHIBIT H

SCBT



Explanations				
	Robert Hill	John Pollok	Joe Burns	Total
¹ Cash SERP Benefit Expense Detail				
Annual Benefit at Retirement	185,000	165,000	50,000	
Years of Benefits	20	20	20	
Total Cash SERP Benefit Expense	<u>3,700,000</u>	<u>3,300,000</u>	<u>1,000,000</u>	8,000,000
² Equity SERP Benefit Expense Detail				
Restricted Shares Awarded	30,780	28,265	10,555	
Price on Day of Award	27.57	27.57	27.57	
Total Equity SERP Benefit Expense	<u>848,604.60</u>	<u>779,266.05</u>	<u>291,001.35</u>	1,918,872
³ The cash SERP vested balances at 12/31/2008 were distributed to participants in January, 2009 and had already been recognized as expense by the bank.				