



June 11, 2004

John M. Floyd & Associates  
125 N. Burnet Drive  
Baytown, TX 77520

Dear Mr. Floyd,

I am writing you regarding how satisfied and excited we are about the Overdraft Privilege program that was implemented on April 1, 2004 for First South. Your company provided an impressive staff from presentation to implementation. Jan Southern and Randy Banks have been our key contacts from the beginning and they have done an outstanding job.

Two key items that has made the program successful was the training that was provided to all our staff and the ODP tracking software. This program would be unmanageable without these two items in place.

The results of Overdraft Privilege have been outstanding and way beyond our expectations. Our members have used this service with all types of transactions, which include ATM's, debit cards, ACH, and over the counter transactions.

The growth in our fee income has exceeded our expectations. We are into our third month and the income continues to increase.

I would highly recommend John M. Floyd & Associates overdraft privilege to any credit union.

Sincerely,

A handwritten signature in cursive script that reads 'Diane Reasons'.

Diane Reasons  
SVP of Lending