

Matthews, Young - Management Consulting
A Division of
Matthews, Young & Associates, Inc.

Consultants to Directors and Management

Since 1971

EXECUTIVE SEARCH SERVICES

Matthews, Young - Management Consulting
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BACKGROUND

A number of years ago, when the Chief Executive of a large company decided to retire, the Board asked us to do the search for a successor because we had worked with them for many years on many issues. Since then, we have been asked to find many other senior level managers, for both for-profit and not-for-profit organizations, in start-up, normal operation, and turnaround situations. As a result, we developed a formal practice in retained executive search.

Matthews, Young - Management Consulting has conducted numerous executive searches as a natural extension of our total practice in strategic services, organization design, information systems, and compensation services. We typically work on these issues at Board and Executive levels, and are frequently asked to fill voids in the executive level of client organizations.

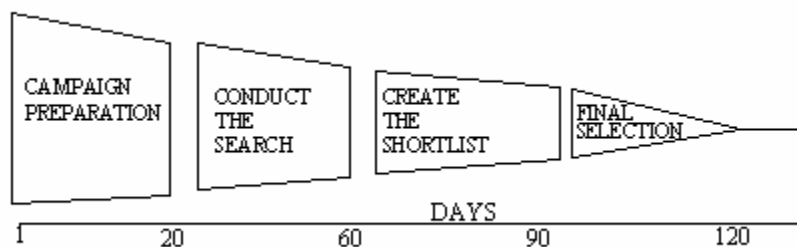
In the process of conducting these searches, we have built an extensive candidate base. Many of these candidates have been interviewed. Occasionally, a candidate that is already known will fit your needs.

THE PROCESS

As the graphic of the search process below shows, the first step (Campaign Preparation) requires defining your Organization's unique needs. This step involves a reassessment of the job description and minimum qualifications based on your strategy for the future. Next, an ideal candidate profile is developed. Only after this step is completed would we know if your needs match any known candidates' qualifications. Whether a known candidate fits or not, our commitment would be to find the one person that is most likely to best satisfy your needs.

THE RETAINER EXECUTIVE SEARCH PROCESS

MATTHEWS, YOUNG - MANAGEMENT CONSULTING ZEROING IN PROCESS



Finding just the right candidate to fill a key position can pay dividends that make search and recruitment costs seem like a minor issue. Doing a thorough executive search normally consumes three to six calendar months and well over 300 man-hours. Typically, over 250 telephone calls will be made and 15 to 30 candidates may be interviewed. While the payoff may be huge, most Board members and executives do not have the time to complete the process themselves. This is where **Matthews, Young - Management Consulting** comes in.

YOUR INVESTMENT

Due to the fact that we conduct numerous searches, we are able to complete the process in a very efficient manner. Consequently, your investment is limited to an agreed upon percentage of the first year's annual compensation for the position being filled, plus telephone and travel expenses.

Our fee is invoiced in three installments. The first two are based upon an estimated first year's salary, and the final installment is adjusted to reflect the actual offer and acceptance.

One of the first steps in the process is to price the job in the appropriate marketplace, at which point we will have defined standard compensation, and the maximum cost of the search. If you stop the process at that point, or we are able to complete the process before the entire percentage of standard compensation is accrued, you pay only our accrued fees up to that point.

We are pleased to discuss your needs for executive search at no cost or obligation. Call (919) 644-6962 and ask for Mike Hamilton for a completely confidential assessment of your needs and our ability to help.

OUR SEARCH CLIENTS

Perhaps the best description of a consulting firm is its client base. Here is a partial list of current and recent search clients. We have had on-going relationships with most of these organizations for many years. They tend to keep us involved with them, as the more we do for them, the more effective we become.

COMPANY

POSITION FILLED

Ameris Bancorp, Inc. Moultrie, GA	Chief Operating Officer Operations Center Manager
Asheville Savings Bank Asheville, NC	Successor CEO, Commercial Lending Manager, Top Retail Banker
Blue Ridge Savings Bank, Inc. Asheville, NC	Mortgage Underwriter, Executive Vice President/City Executive
Capital Bank Raleigh, NC	Regional President, Chief Banking Officer, Top Mortgage Lender
Carolina Bank Greensboro, NC	Chief Financial Officer
Carolina Federal Credit Union Cherryville, NC	Chief Executive Officer
Community Capital Corp. Greenwood, SC	Commercial Lender Credit Administrator
East Carolina Bank Engelhard, NC	Chief Executive Officer
Fauquier Bank Warrenton, VA	Human Resources Manager, Chief Financial Officer, Credit Administrator, Chief Executive Officer (Successor)
First Eldorado Bankshares, Inc. Eldorado, IL	Regional Executive
Flag Financial Corporation Atlanta, GA	Banking Sales Manager

Gateway Bank & Trust Elizabeth City, NC	Chief Operating Officer Regional Executive
Greer State Bank Greer, SC	Chief Executive Officer (Successor)
HomeTrust Bank Asheville, NC	Retail Banking Executive
North Carolina Credit Union Network Greensboro, NC	President
Peoples Bank Newton, NC	Chief Financial Officer
Pine Level Bank Pine Level, NC	Chief Executive Officer
Pines of Carolina Girl Scout Council Raleigh, NC	Chief Executive Officer
SterlingSouth Bank and Trust Greensboro, NC	Chief Executive Officer
Truliant Federal Credit Union Winston - Salem, NC	Chief Executive Officer Chief Marketing Executive
Waccamaw Bank Whiteville, NC	Chief Operating Officer
WEYCO Credit Union Plymouth, NC	Chief Executive Officer

In an effort to protect the time of our clients, we include no specific references in published material, but references will be provided upon request. Please call.

BIOGRAPHICAL SKETCHES

J. Timothy O'Rourke **President and Chief Executive Officer**

Tim is a native North Carolinian and a graduate of the University of North Carolina at Chapel Hill. In 1970, he joined the Durham-based Central Carolina Bank, where in 1981 he was named First Vice President. His 14-year banking career includes management positions in Systems/Programming, Operations Research, Human Resources and Marketing. He has also chaired Marketing, Operations and Asset/Liability Management Committees with banks. In addition, Mr. O'Rourke has completed the North Carolina Bankers Association's Graduate School of Banking and numerous other programs, and has received the American Compensation Association's Certified Compensation Professional designation. He has published numerous articles on banking subjects and frequently speaks at business forums.

In 1984, Tim joined **Matthews, Young & Associates, Inc.** He has worked on a broad group of assignments with over 125 organizations of all types, including acting as interim CEO of a large troubled financial institution. In 1988, Mr. O'Rourke was named a Principal and Director of Financial Institution Services for **Matthews, Young**. Today, he coordinates all services provided **Matthews, Young - Management Consulting**.

In his current role, O'Rourke has managed a variety of cases for financial institutions, service firms and manufacturing concerns. He has conducted numerous management organization studies, executive searches, executive and staff compensation studies and strategic plans. O'Rourke has also led a team in developing compensation surveys for banking trade associations across the southeast.

Michael C. "Mike" Hamilton **Senior Consultant** **Director of Executive Talent Services**

Mike Hamilton holds a BA degree in Economics from North Carolina State University. He joined **Matthews, Young - Management Consulting (MYMC)** in January, 1997 bringing 20 years of managerial experience and a track record of accomplishment in individual and organizational improvement. Mike manages and directs MYMC's Human Capital Services, which include: organizational design, executive search, outplacement, and employee and customer surveys.

Mike has extensive experience in the Financial Services Industry. He has worked with and for Banking and Credit Union entities throughout the Southeastern United States. Mike's broad functional experience includes line and staff side involvement with both small and large financial organizations. He has consulted on a wide variety of change and improvement projects, supporting start-ups, acquisitions, divestitures, and reengineering initiatives. Mike enjoys assisting Senior Management in dealing with the "people" issues related to execution of an organization's unique strategic objectives.

Mike has earned numerous professional designations, including: graduate of the North Carolina Banker's Association's School of Advanced Management, and the Society for Human Resources Management (SHRM)'s, Professional in Human Resources (PHR). Mike enjoys jogging, and the company of his wife and two children when not donating his time to various youth oriented civic activities.

P. Randall McGraw **Consultant**

Randy McGraw joined **Matthews, Young – Management Consulting** in October of 2002. In his seventeen-year professional career, Randy held positions in accounting and finance as a Controller and CFO for a Retail Service Consulting firm. After assisting with the merger and public stock offering of the firm, he then held positions in senior management as a Regional Vice President and Divisional Vice President responsible for the development and implementation of sales and marketing programs. Randy's varied and diverse background required skills in operations, human resources, business planning, sales and marketing, all with budget and profit responsibilities.

During 2002, Randy was employed as Executor of a \$20 million dollar Estate responsible for the administration, negotiations and final settlement of all interests and estate creditors. In this role he has obtained experience in negotiations, loss management, risk management and asset management. In addition to these skills, he has gained valuable insight into business organization, debt financing and strategic planning.

Randy has a BS degree in Business Administration with a core concentration in Accounting and Finance from Appalachian State University. He has completed Leadership Training courses and brings a diverse background to **Matthews, Young**.

Stephanie A. Snyder **Controller/Consultant**

Stephanie Snyder joined Matthews, Young in 1995 as Controller. Prior to joining Matthews, Young, she worked in public accounting and consulting. Also, she held corporate finance positions with a number of companies including the Durham-based photo-finishing company, Qualex, Inc., a subsidiary of Eastman Kodak, where she was co-manager of the 2,200 unit corporate fleet. She worked as a project analyst with a prominent consulting firm in the Chicago area. Her experience has enabled her to serve in a variety of roles on our Matthews, Young consulting project teams such as analyst and

case manager. Mrs. Snyder primarily serves as a consultant in our compensation and strategic planning service areas.

Stephanie holds a B.S. degree in Business Administration with a concentration in Accounting from UNC Chapel Hill. She is married with a 16 year-old son, three step-children and two step-grandchildren. In her spare time, she enjoys spending time with her family and traveling.

Support Staff Specialists

Among a total staff of 10, the firm has Support Staff Specialists with a variety of business and related degrees and certifications, including a Research Librarian, and a number of professional certifications.

OTHER RESOURCES

We maintain contacts with a group of former finance, manufacturing and marketing executives that can be brought into a situation if their particular expertise is required to solve a problem.

RESEARCH FACILITIES



NCSU Libraries



Our library includes over two thousand volumes, covering a wide variety of tools and techniques specific to the management of various types of organizations in various industries. With our headquarters in the Research Triangle area of North Carolina, we have easy access to the libraries of the University of North Carolina at Chapel Hill, North Carolina State University and Duke University. Professors from these schools are sometimes engaged for additional support.

TECHNOLOGY



Finally, we use state-of-the-art computer and communications technology for collection and analysis of data, financial modeling and communication with clients and other members of the firm around the clock, no matter where they are located. Systems for tracking results against plans are installed at the client's location and daily information is uploaded to **Matthews, Young - Management Consulting**, so that we can monitor critical success factors and address variances with the client as they occur.

IN SUMMARY...

In summary, if you need to fill a void in a key position in your organization, we know the search process and would be pleased to help. Advertising for candidates for top management and board positions tends to be ineffective. You see the best candidate is frequently not looking for a job change. They have to be found and convinced to look at an opportunity. As someone said at the board meeting when we were retained for a recent search:

"You can see starlings and blue jays anytime, because they are all around the yard. But, if you want to see an eagle, you have to look high above the tree tops."

We think we found an "eagle" for that client, and would be pleased to do the same for you.

HOW TO CONTACT US

For a confidential assessment of how we might help you and your organization, and for a list of references call:

(919) 644 - 6962

DURING BUSINESS HOURS, OR AFTER HOURS TO LEAVE A RECORDED MESSAGE.