Ameris Bancorp

February 27, 2009

Via United States Mail and
Email (SIGTARP.response@do.treas.gov)

Mr. Neil M. Barofsky
Special Inspector General – TARP
1500 Pennsylvania Ave., NW
Suite 1064
Washington, D.C. 20220

Re: Ameris Bancorp/Ameris Bank (together, the "Company") – Troubled Asset Relief Program ("TARP")

Dear Mr. Barofsky,

We are in receipt of your letter dated February 6, 2009 concerning TARP funds and limits on executive compensation. Set forth below are the Company's responses to your requests for additional information.

In November 2008, the Company received $52 million in TARP funds. Such funds have been segregated from all other institutional funds, whether debt or equity, since the Company's receipt of them. The Company's intention is to continue to hold such funds separate from other funds of the Company for the foreseeable future.

At the time of its receipt of TARP funds, the Company's intended use of such funds was to maintain the capital strength and capital cushion necessary to continue lending and growing the Company's balance sheet during an uncertain economic period that normally would cause the Company to significantly reduce its lending activities. In addition, we anticipated that with the additional capital strength, the Company would be in a position to work with customers, both commercial and consumer, for a longer period before resorting to foreclosure or other collection efforts. Both of these anticipated uses of TARP funds mirror the Company's actual use of the funds since receiving them in November 2008.

Since receiving TARP funds, the Company has:

- foreclosed on 5 primary residences (0.11% of our 4,505 loans against primary residences);
- made approximately 2,600 loans totaling $108 million;
- restructured, or initiated restructuring efforts on, 17 loans totaling approximately $28 million (20% of our problem loan list); and
- increased our budgeted growth in loans to approximately 5% on an annualized basis. Prior to receiving TARP funds, we had anticipated a reduction in outstanding loans by approximately 3% for 2009 due to recessionary pressures in our local markets.

PO Box 3668, Moultrie, GA 31776-3668
310 First Street, SE, Moultrie, GA 31768 • Phone: 229.890.1111 • Fax: 229.890.2235

With respect to executive compensation limitations arising in connection with TARP, the Company, in connection with the closing of the Treasury's TARP investment, entered into agreements with its current senior executive officers (within the meaning of the Emergency Economic Stabilization Act of 2008 (the "2008 Act")), providing for the necessary "clawback" of bonus or incentive compensation paid with respect to financial information that later proves to be materially inaccurate. The Company will require similar agreements for any new or additional senior executive officers that become subject to such restrictions of the 2008 Act or similar provisions of future statutes or regulations.

Additionally, for the past two years, the Company's executive team has willingly foregone bonus payments and salary increases in order to provide the leadership that would be required to see the Company through difficult economic times. Prior to either the 2008 Act or the 2009 Act, this same executive team offered to reduce their contractual cash bonus for a third year as operating forecasts revealed similar challenges seen in prior years. At no time has the leadership of the Company been incented in a manner that would encourage excessive risk-taking with respect to the Company's loan portfolio or otherwise in our operations. Incentive plans in the Company have historically had at least equal parts risk mitigation and loan growth. The Company's Director of Internal Audit, in coordination with the Compensation Committee of the Company's Board of Directors, has certified that all executive compensation limitations required by TARP are in place. Additionally, the Company's Chief Executive Officer and Chief Financial Officer have prepared similar certifications for required reporting to the Securities and Exchange Commission and the Treasury's TARP Compliance Officer.

The Company is monitoring recent developments with respect to executive compensation limitations, including the recent enactment of the American Recovery and Reinvestment Act of 2009 (the "2009 Act"). The Company will take the steps necessary to comply with the 2009 Act, as its requirements are further defined by the issuance of implementing regulations by the Treasury and the Securities and Exchange Commission. It is not yet clear what such compliance will require of the Company. Currently, target cash bonuses for the Company's executive team (which are called for by executive employment agreements in most instances) are generally 40%, with the exception of the Company's Chief Executive Officer, whose target cash bonus is 50%. It is possible that some portion of such cash bonuses that would normally be paid according to contractual agreements will be replaced with longer-term forms of compensation, particularly restricted stock, as additional guidance becomes available under the 2009 Act.

As required by your letter, the undersigned officer of the Company hereby certifies, subject to the requirements and penalties set forth in Title 18, United States Code, Section 1001, that the foregoing statements, representations and supporting information are accurate.

If we can be of further assistance, please call me at (229) 890-6313 or email me at edwin.hortman@amerisbank.com.

Sincerely,

Ameris Bancorp

Edwin W. Hortman, Jr.

Edwin W. Hortman, Jr.
President and Chief Executive Officer