COMMUNITY FIRST, INC.
EXCESSIVE OR LUXURY EXPENDITURE POLICY

This policy is intended to ensure compliance with the requirements under the American Recovery and Reinvestment Act of 2009 (ARRA) enacted February 17, 2009 prohibiting excessive or luxury expenditures by the Company.   ARRA requires each recipient of funds under the Capital Purchase Program (CPP) of the Troubled Assets Relief Program (TARP) to have in place a company-wide policy regarding excessive or luxury expenditures, as identified by the Secretary of the Department of the U.S. Treasury.

Community First, Inc. (Parent) and its subsidiary, Community First Bank & Trust (Bank), (collectively, the "Company") prohibit excessive or luxury expenditures on entertainment and events, office or facility renovations, aviation or other transportation services or other activities or events that are not reasonable expenditures for conferences, staff development, reasonable performance incentives or other similar measures conducted in the normal course of business operations.

Renovations:

Renovations of facilities and office spaces should be relative to the Board approved project and current profit plan of the Company and the Bank. An exception to this is allowed if management must deal with an emergency situation, such as an act of nature, and the expenditure is necessary to make the facility operational for customer use.

At no time should renovations be done that would have the appearance of being extraordinary or excessive from a shareholder perspective.

Entertainment:

Entertainment is defined as an activity that an Employee or Executive would use corporate funds for business development purposes relating to a current customer (s) or prospective customer (s) or to further enhance the Company's marketing efforts.

Our expectation is that all expenses paid by the Company would be for legitimate business purposes, be reasonable in nature and amount and be used to drive and/or increase business to the Company. Occasional events such as taking customers or prospects on approved outings, playing golf, eating dinner, taking them to other events the customer/prospect would find pleasurable is a necessary part of the Company's marketing efforts and is not deemed as "entertainment" or a violation of this Excessive or Luxury Expenditure Policy. These expenses should be reasonable in nature and amount documented, approved in accordance with the Company's normal expenditure approval policies, and detailed as to the benefit derived by the Bank and Company through the normal accounts payable process.

Conferences:

We encourage our staff to attend conferences that are appropriate education opportunities. These conferences should be related to the financial services industry and have a direct correlation to the employee's job. At times it may be appropriate that a spouse would travel to these conferences with Company attendees. All spouse travel expense to conferences must be authorized by the CEO or CFO. Typically these conferences are sponsored by vendors, banking associations, or other industry related entities.

This Policy would EXCLUDE reward conferences (whether paid for by the Company or other vendors) and be a violation of this policy if the purpose is meant to be a reward and would have no value of education to the employee or executive.

Holiday Parties:

We feel holiday parties are a part of an employee appreciation process. Holiday parties should be local in geographic nature, and should not cost the Company more than an average day's payroll per employee, on average. (If the payroll is 9.5M annually divided by 260 days, equals $36K in expense available for an appropriate holiday party).

Board and Management Retreats:

Board Retreats should only be used for education purposes, and should be kept in consideration and looked at in the same view and discretion as all other expenses. Board education is a vital part of maintaining, and keeping a dynamic director base, and this policy should not limit the retreat that is focused on strategic planning or education.

Aviation Services:

The Company does not own corporate aircraft or fractional interest in corporate aircraft. Transportation of Company staff to outlying locations, including banking locations, conferences, and for business development purposes, and should be conducted in the most cost appropriate way for the Company. Modes of transportation to be used may consist of vehicles and commercial air service. The selection of transportation services will factor in cost, efficiency and timeliness of travel. When traveling on Company business, air travel reservations should be made so as to secure the best available fare consistent with the reasonable time at travel and convenience requirements of the trip. Air travel must be coach class, unless authorized by the Chief Executive Officer to travel otherwise.

Other Items, activities or events:

Other similar items, activities or events for which the Company may incur expenses, or reimburse an employee for incurring expenses, which are not specifically addressed elsewhere in this policy (e.g.

performance incentives) shall be for legitimate business purposes and reasonable in nature and amount. All meetings, conferences or events attended by senior executives (as defined by applicable Treasury Department guidelines) and/or board members shall be devoted to specific business purposes and well-documented and shall comply with the Company's expense reimbursement policy. Participating senior executives and board members shall be responsible for any expenses incurred for non-business related activities, and shall promptly reimburse the Company for any such expenses if paid by the Company.

Administration:

Any questions or concerns on how this policy should be interpreted or applied may be directed to the Chief Executive Officer or the Chief Financial Officer. The process for approving and reporting expenditures covered by this policy, as well as the actual amount of expenditures incurred, may be subject to audit by the Company's internal audit staff to confirm policy compliance.

Any violations or departures from policy requirements shall be promptly reported to the Chief Executive Officer or Chief Financial Officer. In such cases, the Chief Executive Officer or Chief Financial Officer will determine if a violation or departure occurred and if so, report such violation or departure to the board of directors or the Company's audit committee. The Chief Executive Officer or Chief Financial Officer shall keep a record of all matters reported to them pursuant to this policy and submit the record to the firm's internal audit staff for review with the policies herein. Violations or departures from this policy by the Chief Executive Officer or Chief Financial Officer should be promptly reported to the board of directors through any member of the audit committee of the board of directors.

The Chief Executive Officer and Chief Financial Officer, as applicable, shall certify, at least annually, that the approval of any expenditure under this policy requiring the prior approval of any senior executive officer, any executive officer of a substantially similar level of responsibility, or the Company's board of directors (or a committee of the board of directors) was properly obtained with respect to each such expenditure.