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August 17, 2018

ELECTRONIC APPLICATIONS SYSTEM

Kathryn E. Haney
Director of Applications
Supervision & Regulation
Federal Reserve Bank of Atlanta
1000 Peachtree Street N.E.
Atlanta, Georgia 30309

Re: *Application of SmartBank, Pigeon Forge, Tennessee, for approval to merge with Foothills Bank & Trust, Maryville, Tennessee, pursuant to Section 18(c) of the Federal Deposit Insurance Act and to establish branches pursuant to Section 9 of the Federal Reserve Act*

Dear Ms. Haney:

Please find enclosed an Interagency Bank Merger Act Application (the "**Application**") filed on behalf of SmartBank, Pigeon Forge, Tennessee ("**SmartBank**"), pursuant to Section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. § 1828(c)), for approval to merge with Foothills Bank & Trust, Maryville, Tennessee ("**Foothills**"), with SmartBank to be the banking corporation to survive the merger, and to establish the main and branch offices of Foothills as branch offices of SmartBank pursuant to Section 9 of the Federal Reserve Act. The Application is simultaneously being filed with the Tennessee Department of Financial Institutions.

As further described in the Application, SmartBank requests confidential treatment under the Freedom of Information Act, 5 U.S.C. § 552, and the implementing regulations of the Federal Reserve (12 C.F.R. § 261.15), for the volume of exhibits to the Application labeled as "Confidential Exhibits." Prior to any public release of information contained in the Confidential Exhibits, please contact the undersigned so that appropriate steps can be taken to protect such information from disclosure.

Public notice of the Application will appear on select dates in a newspaper of general circulation for Sevier County, Tennessee and Blount County, Tennessee. The text of the public notice(s) and an associated publication schedule can be found at Public Exhibit B to the Application. Affidavits of publication will be provided under separate cover as soon as the same become available.

Please feel free to contact me if you have questions regarding or need any additional information to process the Application.

Sincerely,

BUTLER SNOW LLP

/s/ Adam G. Smith

*The Pinnacle at Symphony Place
150 3rd Avenue South, Suite 1600
Nashville, TN 37201*

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Enclosure

cc: Debra Grissom, TDFI (w/o enclosure) (via email)
Billy Carroll, SmartBank (w/enclosure) (via email)

INTERAGENCY BANK MERGER ACT APPLICATION

Check all that apply:

TYPE OF FILING

- Affiliate/Corporate Reorganization
 Combination with Interim
Depository Institution
 Non-affiliate Combination
 Other: _____

FORM OF TRANSACTION

- Merger
 Consolidation
 Purchase and Assumption
 Branch Purchase and Assumption
 Other: _____

FILED PURSUANT TO

- 12 U.S.C. § 1828(c)
 12 U.S.C. §§ 215, 215a-c
 12 U.S.C. § 1815(a)
 Other: _____

APPLICANT DEPOSITORY INSTITUTION

SmartBank _____ FDIC Certificate No. 58463
Name Charter/Certificate Number

2430 Teaster Lane, Suite 205 _____
Street

Pigeon Forge _____ Tennessee _____ 37863
City State ZIP Code

TARGET INSTITUTION

Foothills Bank & Trust _____ FDIC Certificate No. 58591
Name Charter/Certificate Number

214 Keller Lane _____
Street

Maryville _____ Tennessee _____ 37801
City State ZIP Code

RESULTANT INSTITUTION (IF DIFFERENT THAN THE APPLICANT)

N/A _____
Name Charter/Certificate Number

Street

City State ZIP Code

CONTACT PERSON

Adam G. Smith _____
Name

Attorney, Butler Snow LLP _____
Title/Employer

150 3rd Avenue South, Suite 1600 _____
Street

Nashville _____ Tennessee _____ 37201
City State ZIP Code

615.651.6730 _____ adam.smith@butlersnow.com
Area Code/Phone Number Email Address