

Edgar Filing: FLAG FINANCIAL CORP - Form SC 13D

FLAG FINANCIAL CORP
Form SC 13D
August 01, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D
(RULE 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE
13D-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13D-2(a)
(AMENDMENT NO.)*

FLAG FINANCIAL CORPORATION

(Name of Issuer)

COMMON STOCK, PAR VALUE \$1.00 PER SHARE

(Title of Class of Securities)

33832H107

(CUSIP Number)

MR. WILLIAM H. ANDERSON, II
5444 RIVERSIDE DRIVE
MACON, GEORGIA 31210
(478) 474-0555

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

AUGUST 1, 2003

(Date of Event Which Requires
Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box [].

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7(b) for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosure provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 (the "Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP NO. 33832H107

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- 1. NAME OF REPORTING PERSON
S.S. OR IRS IDENTIFICATION NO. OF ABOVE PERSON

William H. Anderson, II

- 2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) [X]

- 3. SEC USE ONLY

- 4. SOURCE OF FUNDS*

PF

- 5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

- 6. CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES	7. SOLE VOTING POWER	473,425

BENEFICIALLY OWNED	8. SHARED VOTING POWER	0

BY EACH REPORTING	9. SOLE DISPOSITIVE POWER	473,425

PERSON WITH	10. SHARED DISPOSITIVE POWER	0

- 11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
473,425

- 12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES* []

- 13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.5% [based upon 8,464,472 shares indicated as outstanding as of 05/08/03 as shown on the Form 10-Q for the quarter ended March 31, 2003.] + 150,000 warrants + 5,000 options

- 14. TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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- 1. NAME OF REPORTING PERSON
S.S. OR IRS IDENTIFICATION NO. OF ABOVE PERSON

Southern Trust Insurance Company

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2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
 (b) [X]

3. SEC USE ONLY

4. SOURCE OF FUNDS*

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
 PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Georgia

NUMBER OF SHARES	7.	SOLE VOTING POWER	276,000

BENEFICIALLY OWNED	8.	SHARED VOTING POWER	0

BY EACH REPORTING	9.	SOLE DISPOSITIVE POWER	276,000

PERSON WITH	10.	SHARED DISPOSITIVE POWER	0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 276,000

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
 CERTAIN SHARES* []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

3.3% [based upon 8,464,472 shares indicated as outstanding as of
 05/08/03 as shown on the Form 10-Q for the quarter ended March 31, 2003.]

14. TYPE OF REPORTING PERSON*
 CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1. NAME OF REPORTING PERSON
 S.S. OR IRS IDENTIFICATION NO. OF ABOVE PERSON

VHA Partners, LP

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
 (b) [X]

3. SEC USE ONLY

4. SOURCE OF FUNDS*

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED

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PURSUANT TO ITEMS 2(d) or 2(e)

[]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Georgia

NUMBER OF SHARES	7.	SOLE VOTING POWER	9,800

BENEFICIALLY OWNED	8.	SHARED VOTING POWER	0

BY EACH REPORTING	9.	SOLE DISPOSITIVE POWER	9,800

PERSON WITH	10.	SHARED DISPOSITIVE POWER	0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
9,800

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

[]

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

.1% [based upon 8,464,472 shares indicated as outstanding as of 05/08/03 as shown on the Form 10-Q for the quarter ended March 31, 2003.]

14. TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1. NAME OF REPORTING PERSON
S.S. OR IRS IDENTIFICATION NO. OF ABOVE PERSON

Trust FBO William H. Anderson, II

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) []

(b) [X]

3. SEC USE ONLY

4. SOURCE OF FUNDS*

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

[]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Georgia

NUMBER OF SHARES	7.	SOLE VOTING POWER	20,000
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BENEFICIALLY OWNED	8.	SHARED VOTING POWER	0
BY EACH REPORTING	9.	SOLE DISPOSITIVE POWER	20,000
PERSON WITH	10.	SHARED DISPOSITIVE POWER	0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
20,000

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
.2% [based upon 8,464,472 shares indicated as outstanding as of 05/08/03 as shown on the Form 10-Q for the quarter ended March 31, 2003.]

14. TYPE OF REPORTING PERSON*
OO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1. NAME OF REPORTING PERSON
S.S. OR IRS IDENTIFICATION NO. OF ABOVE PERSON
Richard Batton, Jr.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) [X]

3. SEC USE ONLY

4. SOURCE OF FUNDS*
OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION
United States

NUMBER OF SHARES	7.	SOLE VOTING POWER	10,177
BENEFICIALLY OWNED	8.	SHARED VOTING POWER	0
BY EACH REPORTING	9.	SOLE DISPOSITIVE POWER	10,177
PERSON WITH	10.	SHARED DISPOSITIVE POWER	0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

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10,177

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
 .1% [based upon 8,464,472 shares indicated as outstanding as of 05/08/03 as shown on the Form 10-Q for the quarter ended March 31, 2003.]

14. TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1. NAME OF REPORTING PERSON
 S.S. OR IRS IDENTIFICATION NO. OF ABOVE PERSON

Estate of Halstead T. Anderson, II

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) [X]

3. SEC USE ONLY

4. SOURCE OF FUNDS*

OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES	7.	SOLE VOTING POWER	8,000

BENEFICIALLY OWNED	8.	SHARED VOTING POWER	0

BY EACH REPORTING	9.	SOLE DISPOSITIVE POWER	8,000

PERSON WITH	10.	SHARED DISPOSITIVE POWER	0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 8,000

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
 .1% [based upon 8,464,472 shares indicated as outstanding as of 05/08/03 as shown on the Form 10-Q for the quarter ended March 31, 2003.]

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14. TYPE OF REPORTING PERSON*

IN

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1. NAME OF REPORTING PERSON
S.S. OR IRS IDENTIFICATION NO. OF ABOVE PERSON

Wayne F. Yost

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) [X]

3. SEC USE ONLY

4. SOURCE OF FUNDS*

OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES	7. SOLE VOTING POWER	10,177

BENEFICIALLY OWNED	8. SHARED VOTING POWER	0

BY EACH REPORTING	9. SOLE DISPOSITIVE POWER	10,177

PERSON WITH	10. SHARED DISPOSITIVE POWER	0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
10,177

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES* []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

.1% [based upon 8,464,472 shares indicated as outstanding as of
05/08/03 as shown on the Form 10-Q for the quarter ended March 31, 2003.]

14. TYPE OF REPORTING PERSON*

IN

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- 1. NAME OF REPORTING PERSON
S.S. OR IRS IDENTIFICATION NO. OF ABOVE PERSON

Stephen H. Shiflett

- 2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) [X]

- 3. SEC USE ONLY

- 4. SOURCE OF FUNDS*

OO

- 5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

- 6. CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES	7.	SOLE VOTING POWER	10,177

BENEFICIALLY OWNED	8.	SHARED VOTING POWER	0

BY EACH REPORTING	9.	SOLE DISPOSITIVE POWER	10,177

PERSON WITH	10.	SHARED DISPOSITIVE POWER	0

- 11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
10,177

- 12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES* []

- 13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

.1% [based upon 8,464,472 shares indicated as outstanding as of 05/08/03 as shown on the Form 10-Q for the quarter ended March 31, 2003.]

- 14. TYPE OF REPORTING PERSON*

IN

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- 1. NAME OF REPORTING PERSON
S.S. OR IRS IDENTIFICATION NO. OF ABOVE PERSON

Eric P. Russett

- 2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) [X]

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3. SEC USE ONLY

4. SOURCE OF FUNDS*

OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES	7. SOLE VOTING POWER	10,177
BENEFICIALLY OWNED	8. SHARED VOTING POWER	0
BY EACH REPORTING	9. SOLE DISPOSITIVE POWER	10,177
PERSON WITH	10. SHARED DISPOSITIVE POWER	0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
10,177

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES* []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

.1% [based upon 8,464,472 shares indicated as outstanding as of
05/08/03 as shown on the Form 10-Q for the quarter ended March 31, 2003.]

14. TYPE OF REPORTING PERSON*

IN

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1. NAME OF REPORTING PERSON
S.S. OR IRS IDENTIFICATION NO. OF ABOVE PERSON

Kay Beliveau

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) [X]

3. SEC USE ONLY

4. SOURCE OF FUNDS*

OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

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6. CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES	7.	SOLE VOTING POWER	4,654

BENEFICIALLY OWNED	8.	SHARED VOTING POWER	0

BY EACH REPORTING	9.	SOLE DISPOSITIVE POWER	4.654

PERSON WITH	10.	SHARED DISPOSITIVE POWER	0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
4,654

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
.1% [based upon 8,464,472 shares indicated as outstanding as of 05/08/03 as shown on the Form 10-Q for the quarter ended March 31, 2003.]

14. TYPE OF REPORTING PERSON*
IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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STATEMENT PURSUANT TO RULE 13d-1
OF THE
GENERAL RULES AND REGULATIONS
UNDER THE
SECURITIES EXCHANGE ACT OF 1934

Item 1. Security and Issuer

This Schedule 13D relates to the common stock, par value \$1.00 per share ("Common Stock"), of Flag Financial Corporation, a Delaware corporation ("Flag Financial" or the "Issuer"). The address of the principal executive offices of Flag Financial is 101 North Greenwood Street, LaGrange, Georgia 30241.

Item 2. Identity and Background

This Schedule 13D is being jointly filed by William H. Anderson, II, Southern Trust Insurance Company, VHA Partners, LP, Trust FBO William H. Anderson, II, Richard Batton, Jr., Estate of Halstead T. Anderson, II, Wayne F. Yost, Steven H. Shiflett, Eric P. Russett, and Kay Beliveau, (the "Reporting Persons") pursuant to a Joint Filing Agreement dated August 1, 2003 (the "Schedule 13D"). The principal place of residence, occupation and citizenship of the Reporting Persons is as follows:

- I. (a) William H. Anderson, II

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- (b) His business address is:
5444 Riverside Drive
Macon, Georgia 30721
 - (c) Director of Flag Financial and President and Chief Executive Officer and Director of Southern Trust Insurance Company.
 - (f) Citizen of the United States.
 - II. (a) Southern Trust Insurance Company
 - (b) Its business address is:
5444 Riverside Drive
Macon, Georgia 30721
 - (c) Not applicable.
 - (f) Organized under the laws of the State of Georgia.
 - III. (a) VHA Partners, LP
 - (b) Its business address is:
5444 Riverside Drive
Macon, Georgia 30721
 - (c) Not applicable.
 - (f) Organized under the laws of the State of Georgia.
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- IV. (a) Trust FBO William H. Anderson, II
 - (b) Its address is:
5444 Riverside Drive
Macon, Georgia 30721
 - (c) Not applicable.
 - (f) Organized under the laws of the State of Georgia.
 - V. (a) Richard Batton, Jr.
 - (b) His business address is:
5444 Riverside Drive
Macon, Georgia 30721
 - (c) President of Southern Trust Insurance Company.
 - (f) Citizen of the United States.
 - VI. (a) Estate of Halstead T. Anderson, II
 - (b) The address is:
5444 Riverside Drive
Macon, Georgia 30721
 - (c) Not applicable.

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- (f) United States.
- VII. (a) Wayne F. Yost
- (b) His business address is:
5444 Riverside Drive
Macon, Georgia 30721
- (c) Controller of Southern Trust Insurance Company.
- (f) Citizen of the United States.
- VIII. (a) Steven H. Shiflett
- (b) His business address is:
5444 Riverside Drive
Macon, Georgia 30721
- (c) Vice President of Claims of Southern Trust Insurance Company.
- (f) Citizen of the United States.
- IX. (a) Eric P. Russett
- (b) His business address is:
5444 Riverside Drive
Macon, Georgia 30721
- (c) Director of Underwriting of Southern Trust Insurance Company.
- (f) Citizen of the United States.

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- X. (a) Kay Beliveau
- (b) Her business address is:
5444 Riverside Drive
Macon, Georgia 30721
- (c) Executive Assistant of Southern Trust Insurance Company.
- (f) Citizen of the United States.

(d) and (e). During the last five years, none of the Reporting Persons filing this statement has been (a) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (b) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violations with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration.

Purchases by William H. Anderson, II were funded through the personal resources of Mr. Anderson. Purchases by Southern Trust Insurance Company were

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funded from the working capital of that company. VHA Partners, LP and the Trust FBO William H. Anderson, II each used its current cash resources to fund its purchases. The purchases of Richard Batton, Jr., Estate of Halstead T. Anderson, II, Wayne F. Yost, Steven H. Shiflett, Eric P. Russett, and Kay Beliveau were funded by cash provided from the working capital of Southern Trust Corporation in exchange for the execution of full recourse notes by these persons payable to Southern Trust Corporation. The shares purchased by the individuals in the preceding sentence are not pledged as collateral for the loans by Southern Trust Corporation. The notes are payable by equal payments over a five year period and bear an interest rate of 4.99%. Southern Trust Corporation is the 100% parent company of Southern Trust Insurance Company. William H. Anderson, II controls, through other entities, Southern Trust Corporation.

Item 4. Purpose of Transaction.

The subject shares of Common Stock directly or indirectly acquired are held by the Reporting Persons for investment purposes. The Reporting Persons have no plans or proposals relating to any matters specified in paragraphs (a) through (j) of Item 4 of Schedule 13D. However, the Reporting Persons reserve the right to adopt such plans or proposals in the future, subject to applicable regulatory requirements, if any. Depending upon market conditions, an evaluation of the business and prospects of the Issuer and other factors, the Reporting Persons or their affiliates may, in their sole discretion, purchase additional shares of Common Stock or dispose of the subject shares of Common Stock from time to time in the open market, in privately negotiated transactions or otherwise, subject to market conditions and other factors.

Item 5. Interest in Securities of the Issuer.

(a) (b) Schedule I hereto sets forth the number of shares of Common Stock owned of record and which may be deemed to be beneficially owned by each of the Reporting Persons, and is incorporated herein by this reference.

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In the aggregate, the Reporting Persons may be deemed beneficially to own 526,787 shares of Common Stock, or 6.2% of the 8,546,540 shares deemed outstanding; consisting of 8,391,540 shares as indicated as outstanding as of February 21, 2003 in the Issuer's Proxy Statement dated March 7, 2003 and 150,000 shares issuable upon exercise of the warrant and 5,000 shares issuable upon exercise of options. Each of the Reporting Persons listed in Item 5(a) hereby expressly declares that the filing of this statement shall not be construed as an admission that such Reporting Person is, for purposes of Section 13(d) or 13(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the beneficial owner of any of the listed securities, except with respect to shares of Common Stock for which each Reporting Person has sole voting and dispositive power unless otherwise stated herein or that the Reporting Persons are a "group" pursuant to Section 13(d) (3) of the Exchange Act.

(c) The table below sets forth purchases and sales of shares by the Reporting Person. Unless otherwise indicated, the purchases and sales were made in the open market.

WILLIAM H. ANDERSON, II

DIRECT

VHA PARTNERS, LP

TRUST

WILLIAM H. A

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DATE OF PURCHASE	SHARES	PRICE	SHARES	PRICE	SHARES
2/19/02	150,000	warrant		\$ 1.00	
2/19/02	5,000	option			
10/25/02	11,000			\$11.2252	
11/4/02	1,100		8,800	\$ 11.39	
11/13/02			1,000	\$11.6492	
11/14/02					20,000
12/23/02	525			\$ 11.19	
Total Shares	12,625		9,800		20,000
Total Option & Warrant	155,000				

SOUTHERN TRUST INSURANCE COMPANY

DATE OF PURCHASE	SHARES	PRICE
2/19/02	150,000	\$ 9.10
8/6/02	12,000	\$10.44
8/7/02	8,000	\$10.40
8/8/02	15,000	\$10.33
8/9/02	5,000	\$10.63
8/12/02	5,000	\$10.89
8/13/02	10,000	\$11.03
8/14/02	7,000	\$11.52
8/15/02	2,000	\$11.62
8/26/02	900	\$10.76

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8/27/02	3,100	\$11.10
8/28/02	2,000	\$11.26
8/29/02	2,500	\$11.36
8/30/02	2,500	\$11.38
9/3/02	2,000	\$11.43

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9/4/02	2,000	\$11.52
9/20/02	1,000	\$10.98
9/26/02	1,500	\$10.67
10/16/02	1,500	\$10.76
10/17/02	1,000	\$10.80
10/29/02	200	\$11.20
11/12/02	500	\$11.25
12/10/02	300	\$11.25
12/23/02	9,000	\$11.19
12/24/02	6,000	\$11.19
2/12/03	2,000	\$11.46
2/13/03	2,000	\$11.49
2/14/03	2,000	\$11.50
2/18/03	2,000	\$11.51
2/20/03	2,000	\$11.48
2/21/03	2,000	\$11.47
2/24/03	2,000	\$11.48
2/25/03	400	\$11.67
2/27/03	6,300	\$11.85
2/28/03	211	\$11.85
3/3/03	5,089	\$12.21
Total Shares	276,000	

RICHARD BATTON, JR.

DATE OF PURCHASE	SHARES	PRICE
3/19/02	10,177	\$9.83

ESTATE OF HALSTEAD T. ANDERSON, II

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DATE OF PURCHASE/SALE	SHARES	PRICE
	2,000	
3/19/02 buy	10,177	\$ 9.83
3/22/02 sale	500	\$10.20
4/16/02 sale	1,500	\$ 9.95
10/23/02 sale	2,177	\$11.00
Total Shares	8,000	

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WAYNE F. YOST

DATE OF PURCHASE	SHARES	PRICE
3/19/02	10,177	\$9.83

STEVEN H. SHIFLETT

DATE OF PURCHASE	SHARES	PRICE
3/19/02	10,177	\$9.83

ERIC P. RUSSETT

DATE OF PURCHASE	SHARES	PRICE
3/19/02	10,177	\$9.83

KAY BELIVEAU

DATE OF PURCHASE	SHARES	PRICE
8/15/02	4,654	\$10.7644

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(d) Except as provided herein, no other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the securities described above.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

There are no contracts, arrangements, understandings or relationships with respect to the securities of the issuer other than as disclosed in Item 3. above.

Item 7. Material to be filed as Exhibits.

1. Joint Filing Agreement of Reporting Persons (including powers of attorney)

CUSIP NO. 33832H107

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SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: August 1, 2003

/s/ William H. Anderson, II

WILLIAM H. ANDERSON, II

/s/ Richard Batton, Jr.

RICHARD BATTON, JR.

/s/ William H. Anderson, II

ESTATE OF HALSTEAD T. ANDERSON, II,
BY WILLIAM H. ANDERSON, II, EXECUTOR

/s/ Wayne F. Yost

WAYNE F. YOST

/s/ Steven H. Shiflett

STEVEN H. SHIFLETT

/s/ Eric P. Russett

ERIC P. RUSSETT

/s/ Kay Beliveau

KAY BELIVEAU

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SOUTHERN TRUST INSURANCE CORPORATION

By /s/ William H. Anderson, II

 WILLIAM H. ANDERSON, II,
 CHIEF EXECUTIVE OFFICER, PRESIDENT

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VHA PARTNERS, LP

By /s/ William H. Anderson, II

 WILLIAM H. ANDERSON, II,
 PRESIDENT OF SANTEE MANAGEMENT
 CORPORATION, GENERAL PARTNER

TRUST FBO WILLIAM H. ANDERSON, II

By /s/ William H. Anderson, II

 WILLIAM H. ANDERSON, II, TRUSTEE

* By /s/ William H. Anderson, II

 William H. Anderson, II, Power of Attorney

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SCHEDULE I

Name	Beneficial Ownership(1)	Percent of Outstanding(2)	Sole Voting Dispos. Po
William H. Anderson, II (4)	473,425	5.5%	473,42
Southern Trust Insurance Company (5)	276,000	3.3%	276,00
VHA Partners, LP (6)	9,800	.1%	9,80
Trust FBO William H. Anderson, III	20,000	.2%	20,00
Richard Batton, Jr.	10,177	.1%	10,17
Estate Halstead T. Anderson, II	8,000	.1%	8,00
Wayne F. Yost	10,177	.1%	10,17
Steven H. Shiflett	10,177	.1%	10,17
Eric P. Russett	10,177	.1%	10,17

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Kay Beliveau	4,654	.1%	4,65
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- (1) Shares of Common Stock which may be deemed to be beneficially owned by each Reporting Person. The Reporting Persons disclaim beneficial ownership of certain of these shares, as is more fully set forth in Item 5 of this schedule.
- (2) Based on 8,464,472 shares of Common Stock outstanding as of May 8, 2003 as disclosed in the Issuer's Form 10-Q for the quarter ended March 31, 2003.

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- (3) Shares of Common Stock over which the respective Reporting Person may be deemed to have shared voting and dispositive power.
- (4) Includes 276,000 shares and warrants to purchase 150,000 shares of Common Stock held by Southern Trust Insurance Company. Mr. William H. Anderson, II is the President, Chief Executive Officer and Chairman of the Board of Southern Trust Insurance Company and as a result may have sole voting and dispositive power with respect to all such shares. Includes 20,000 shares held by the Trust FBO William H. Anderson, II of which William H. Anderson, II is the trustee and beneficiary and as a result may have sole voting and dispositive power with respect to all such shares held by the trust. Includes 9,800 shares held by VHA Partners, LP. William H. Anderson, II is the President of Santee Management Corporation, the general partner of VHA Partners, LP and as a result may have sole voting and dispositive power with respect to all such shares held by VHA Partners, LP. Includes 5,000 shares issuable upon exercise of stock options granted by Flag Financial for services as a director which options are exercisable within 60 days of this report. Includes 12,625 shares held directly by William H. Anderson, II.
- (5) Shares held by Southern Trust Insurance Company which is a 100% owned subsidiary of Southern Trust Corporation, which is a 100% owned subsidiary of RamBay Corporation, which is controlled by William H. Anderson, II. RamBay Corporation shares voting and dispositive power with respect to all such shares.
- (6) Santee Management Corporation, the majority general partner of the VHA Partners, LP, shares voting and dispositive power with respect to all such shares. Santee Management Corporation is controlled by William H. Anderson, II.