

318573

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Amendment
Filed 12-31-79

15 pgs.

AMENDMENT
PROFIT CORPORATION

A notification letter was mailed to:

Noel H. Nation, Esq.
SE 1st National Bank Bldg.
Miami, FL 33131

Mailed: 5 certified copies
File Number: 11 Remittance Totaling: \$90.00

Statement of Classification of Shares to the Articles of Incorporation of:
SOUTHEAST BANKING CORPORATION

Filed on: December 31, 1979

Charter Number: 318573

318573

Word Processing: December 31, 1979 By: rr

STEEL HECTOR & DAVIS

SOUTHEAST FIRST NATIONAL BANK BUILDING

MIAMI, FLORIDA 33131

WILLIAM C. STEEL
LOUIS J. HECTOR
BARRETT A. DAVIS
DWAYNE SULLIVAN
WILLIAM B. KILLIAN
ERNEST J. HENRETT
JERRY E. CROCKETT
WILSON SMITH
VALBET D'ALEMBERT
JAMES H. SWEENEY, III
JOHN EDWARD SMITH
NORMAN A. COLL
THOS. E. CAPPS
SHEPARD KING
MATTHEW M. CHILDS
BARRY R. BAYDSON
NOEL H. NATHAN
BRUCE S. RUSSELL
ALVIN B. DAVIS
JOSEPH R. KLOCK, JR.
RICHARD C. SMITH
THOMAS F. McGUIRAN
DENNIS A. LARUSA
PATRICIA A. BRITZ

PAUL J. BONAVIA
JUDITH M. KORNCHIN
JOHN M. BARRETT
ROBERT J. IRVIN
JEFFREY L. MULLEN
VANCE E. SALTER
DONALD M. MIDDLEBROOKS
HENRY J. WHELCHER
GERRY S. GIBSON
SHARYL L. POULSON
RICHARD J. LAMPER
JOSE L. ASTIGARRAGA
THOMAS J. MATHIOY
DEAN G. COLSON
JEFFREY S. BERGOW
W. SLENN DEMPSEY
THOMAS R. WOOLSEY
BARBARA A. SILVERMAN
JOHN T. BUTLER
BRIAN R. BRATTENO

WILLIAM M. PRESTON
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OF COUNSEL

TELEPHONE
(305) 577-2800
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DIRECT DIAL NUMBER

6633 1/07/80 318573
006 1 15.00 DS
6633 1/07/80
006 26 75.00 DS

December 21, 1979

PERSONAL

Ms. Nettie Simms
Bureau Chief
Division of Corporations
Department of State
Tallahassee, Florida 32304

Re: Southeast Banking Corporation
Acquisition of First Bancshares
of Florida, Inc.

Dear Ms. Simms:

In furtherance of our meeting in Tallahassee on December 4, 1979, this is to confirm our understanding with respect to certain filings with your office necessary in connection with the closing of the acquisition by Southeast Banking Corporation ("Southeast") of First Bancshares of Florida, Inc. ("FBS"). In connection with the acquisition, Southeast Merger Company ("SMC"), a wholly-owned subsidiary of Southeast, will be merged into FBS, which will become a wholly-owned subsidiary of Southeast.

1. Your office has pre-cleared for filing on December 31, 1979 two documents:

(i) A statement designating the terms of the \$4.06 Cumulative Preferred Stock, a new series of the Series Voting Preferred Stock of Southeast, in accordance with Florida Statute 607.047 (3) and

(ii) Articles of Merger for the merger of SMC into FBS pursuant to Florida Statute 607.224.

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R. AGENT FEE
C. COPY 75
TOTAL 90
H. BANK 90
BALANCE DUE
REFUND

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SMC-31-79
12-31-79

DEC 31 11 06 AM '79
DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA

FILED

STEEL HECTON & DAVIS

Ms. Nettie Simms
December 21, 1979
Page Two

We understand that your office found each of the above noted documents in satisfactory form acceptable for filing subject to execution by the appropriate officers of each corporation signing the instruments. Copies of the form of each document were left with you.

2. Six originals and four photocopies of the Articles of Merger and one original and five photocopies of the Statement designating terms, each fully executed and acknowledged, are herewith delivered to you by messenger. The Articles of Merger contain one omission, the exchange ratio, which will be completed prior to filing as discussed below. The Statement designating terms also contains one omission, the date. One original of each document is for filing, all others are for certified copies.

Ms. Tamara Dworsky, Esq., of the law firm of Proskauer, Rose, Goetz & Mendelsohn, counsel for FBS, and Jerry Malcolm, the Assistant Treasurer of Southeast, will be present in your office on the morning of December 31, 1979 and will fill in the appropriate exchange ratio (currently believed to be .1009). * These persons are also authorized to date the Statement designating terms.

3. The Statement designating the terms of the \$4.06 Cumulative Preferred Stock is to be filed first upon telephonic notification to you from me or Richard Lampen of this firm on December 31, 1979 or earlier. If earlier than December 31, you are authorized to date the instrument prior to filing. The Articles of Merger are to be filed on December 31, 1979 after insertion of the exchange ratio and telephonic notice to you by me or Richard Lampen. In any event, the filing of the Statement designating the preferred terms must precede the filing of the Articles.

4. Ms. Dworsky and Mr. Malcolm will be standing by to receive from you certified copies of the documents as filed. Our check in the amount of \$255.00 in payment of filing fees and costs in connection with the foregoing is enclosed.

Filing fee for Merger	\$ 30.00
Filing fee for Statement	15.00
Fourteen certified copies at \$15 ea.	210.00
	<u>\$255.00</u>

* Article V A. on page 3.

STEEL HECTOR & DAVIS

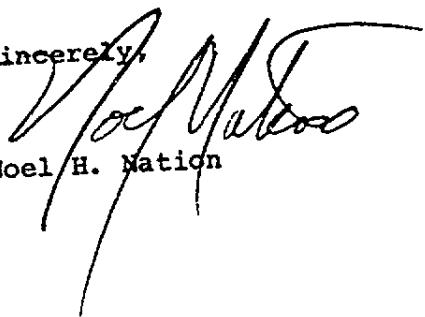
Ms. Nettie Simms
December 21, 1979
Page Three

Should you have any questions regarding the contemplated procedures, please notify me or Richard Lampen (305-577-2931) of this office promptly.

I would like to take this opportunity to thank you again for your cooperation and courtesy extended in connection with this transaction. It is typical of the fine service we have received over the years from your office and is most appreciated.

Best wishes for the holiday season. I look forward to seeing you again soon.

Sincerely,



Noel H. Nation

NHN:1

STATEMENT OF CLASSIFICATION OF SHARES
OF SOUTHEAST BANKING CORPORATION

The undersigned corporation hereby executes this Statement pursuant to the Florida General Corporation Act, Section 607.047 Florida Statutes, relative to establishing and designating a series within a class of its shares and fixing and determining the relative rights and preferences of the series:

1. The name of the corporation is Southeast Banking Corporation.
2. A copy of the resolutions adopted by the Board of Directors and the Executive Committee thereof of Southeast Banking Corporation establishing and designating shares of its Series Voting Preferred Stock as \$4.06 Cumulative Preferred Stock and fixing and determining the relative rights and preferences thereof, is attached hereto.
3. The above resolutions were duly adopted by the Board of Directors of the Corporation on June 14, 1979 and November 1, 1979 and by the Executive Committee thereof on October 5, 1979, acting pursuant to authority granted by the Board of Directors on September 14, 1979.

FILED
DEC 31 11 06 AM '79
DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA

This, the 31st day of December, 1979.

SOUTHEAST BANKING CORPORATION

By:

Thomas B. Walker
Thomas B. Walker

Vice President and Treasurer

By:

Bruce W. Keihner
Bruce W. Keihner

Assistant Secretary

STATEMENT OF CLASSIFICATION OF SHARES
OF SOUTHEAST BANKING CORPORATION

RESOLVED that, pursuant to authority expressly granted to and vested in the Board of Directors of Southeast Banking Corporation, hereinafter called the "Corporation," by the provisions of Article III of the Certificate of Incorporation, as amended, of the Corporation, the Board of Directors of the Corporation hereby creates a series of the Series Voting Preferred Stock of the Corporation, no par value, authorized by Article III of the Certificate of Incorporation, as amended, and hereby fixes the designation, rights, preferences and limitations of the shares of such series (in addition to the rights, preferences and limitations set forth in the Certificate of Incorporation, as amended, which are applicable to the Series Voting Preferred Stock of all series and to all classes of stock of the Corporation) as follows:

(1) *Designation.* The shares of such series shall be designated "\$4.06 Cumulative Preferred Stock" and the number of shares constituting such series shall be 510,000.

(2) *Dividends.*

A. The holders of record of the shares of \$4.06 Cumulative Preferred Stock shall be entitled in preference to the Common Stock to receive, out of the assets of the Corporation legally available for the payment of dividends, cash dividends at the annual rate of \$4.06 and no more, payable in equal installments in April, July, October and January of each year for the quarters ended March 31, June 30, September 30, and December 31, respectively. Dividends on the \$4.06 Cumulative Preferred Stock shall be declared and paid on the same respective days on which dividends on the Common Stock are declared and paid, and the record dates for the determination of holders of \$4.06 Cumulative Preferred Stock entitled to any dividend thereon shall be the same as the record dates for the determination of the stockholders entitled to dividends on Common Stock; however, if no dividend shall be declared payable on the Common Stock in any April, July, October or January, the quarterly dividends on the \$4.06 Cumulative Preferred Stock shall be payable on the first day of such month. Dividends on the \$4.06 Cumulative Preferred Stock shall first become payable in the month of April, July, October or January, as the case may be, next following the Effective Time of the merger of Southeast Merger Company, a wholly-owned subsidiary of the Corporation, into First Bancshares of Florida, Inc. (hereinafter in these resolutions referred to as the "Effective Date"); provided, however, that if the first dividend period is less than a full calendar quarter, the dividend shall be payable for such period on a pro rata basis; and provided, further, that if the first dividend period terminates within 20 days after the Effective Date, then such dividend shall be payable at the completion of the first full dividend period.

B. Dividends on the \$4.06 Cumulative Preferred Stock shall be cumulative from the Effective Date. No dividends or distributions shall be paid or set apart for payment on the Common Stock or any other stock of the Corporation ranking as to dividends junior to the \$4.06 Cumulative Preferred Stock or other junior stock, unless all dividends on the \$4.06 Cumulative Preferred Stock for the most recent dividend period and accumulated and unpaid dividends on the \$4.06 Cumulative Preferred Stock for all prior

periods have been or are contemporaneously paid or set apart for payment in accordance herewith. No dividend shall be declared on any share or shares of any other class of stock or series thereof ranking as to dividends on a parity with the \$4.06 Cumulative Preferred Stock for any dividend period unless there shall have been declared on all shares then outstanding of the \$4.06 Cumulative Preferred Stock, for the same period, or for the dividend period of the \$4.06 Cumulative Preferred Stock terminating within the dividend period of said parity stock and any accumulated and unpaid dividends on the \$4.06 Cumulative Preferred Stock for prior periods, like proportionate dividends, ratably, in proportion to the respective dividends payable in respect of the \$4.06 Cumulative Preferred Stock and said parity stock.

(3) *Voting Rights.*

A. Except as otherwise provided herein or by law, each holder of \$4.06 Cumulative Preferred Stock shall be entitled to one vote for each share of \$4.06 Cumulative Preferred Stock held and the shares of \$4.06 Cumulative Preferred Stock and Common Stock of the Corporation shall vote together as one class.

B. So long as any shares of \$4.06 Cumulative Preferred Stock are outstanding, and in addition to any other vote or consent of stockholders required by law, the consent of the holders of at least two-thirds of the shares of the \$4.06 Cumulative Preferred Stock at the time outstanding, given in person or by proxy either in writing without a meeting or by vote at any meeting called for the purpose at which the holders of the shares of \$4.06 Cumulative Preferred Stock shall vote separately as a class, shall be necessary for approval of any amendment to the Certificate of Incorporation of the Corporation which would authorize or increase the authorized amount of any class or series of capital stock of the Corporation ranking as to the payment of dividends or distribution of assets upon liquidation, dissolution or winding up of the Corporation senior to the \$4.06 Cumulative Preferred Stock or would materially and adversely affect any of the rights and preferences of the holders of \$4.06 Cumulative Preferred Stock; provided, however, no such consent of the holders of \$4.06 Cumulative Preferred Stock shall be required (i) to authorize, or increase the authorized amount of, any class of capital stock of the Corporation or to divide any class of capital stock of the Corporation into additional series ranking as to the payment of dividends or distribution of assets upon liquidation, dissolution or winding up of the Corporation on a parity with or junior to the \$4.06 Cumulative Preferred Stock; or (ii) if, at or prior to any such amendment, the Corporation shall then be entitled, in accordance with the provisions of Section (4) hereof, to redeem the \$4.06 Cumulative Preferred Stock and if, prior to or concurrently with such amendment, provision is made for the redemption of all shares of the \$4.06 Cumulative Preferred Stock at the time outstanding.

C. If at any time the equivalent of six quarterly dividends (whether or not consecutive) payable on the \$4.06 Cumulative Preferred Stock are in default, the number of directors constituting the Board of Directors of the Corporation shall be increased by two, and the holders of the \$4.06 Cumulative Preferred Stock shall have, in addition to the voting rights provided in subparagraphs A and B above, which shall continue, the exclusive right, voting separately as a class, to elect two directors to fill such newly created directorships. This right shall remain vested until all dividends in default on the \$4.06 Cumulative Preferred Stock have been paid, or declared and set apart for payment, at which time (i) the right shall terminate (subject to re-vesting in the case of any subsequent default of the kind described above); (ii) the term of the directors then in office elected by the holders of the \$4.06 Cumulative Preferred Stock as a class shall terminate; and (iii) the number of directors constituting the Board of Directors of the Corporation shall be reduced by two.

Whenever such right shall vest, it may be exercised initially either at a special meeting of the holders of record of \$4.06 Cumulative Preferred Stock or at any annual stockholders' meeting, but thereafter it shall be exercised only at annual stockholders' meetings. A special meeting for the exercise of such right shall be called by the Secretary of the Corporation as promptly as possible, and in any event within 10 days, after receipt of a written request signed by the holders of record of at least 10% of the outstanding shares of \$4.06 Cumulative Preferred Stock. Notwithstanding the provision in this paragraph, no such special meeting shall be held during the 90-day period preceding the date fixed for the annual meeting of stockholders.

Any director who shall have been elected by the holders of \$4.06 Cumulative Preferred Stock as a class shall hold office for a term expiring (subject to the earlier termination of the default in dividends) at

the next annual meeting of stockholders, and during such term may be removed at any time, either for or without cause, by, and only by, the affirmative votes of the holders of record of a majority of the outstanding shares of \$4.06 Cumulative Preferred Stock given at a special meeting of such stockholders called for the purpose, and any vacancy created by such removal may also be filled at such meeting. A meeting for the removal of a director elected by the holders of \$4.06 Cumulative Preferred Stock as a class and the filling of the vacancy created thereby shall be called by the Secretary of the Corporation within ten days after receipt of a request therefor, signed by the holders of not less than 25% of the then outstanding shares of \$4.06 Cumulative Preferred Stock. Such meeting shall be held at the earliest practicable date thereafter.

Any vacancy caused by the death or resignation of a director who shall have been elected by the holders of \$4.06 Cumulative Preferred Stock as a class may be filled only by the holders of \$4.06 Cumulative Preferred Stock at a meeting called for such purpose. Such meeting of the holders of \$4.06 Cumulative Preferred Stock shall be called by the Secretary of the Corporation at the earliest practicable date after any such death or resignation and in any event within 10 days after receipt of a written request signed by the holders of record of at least 10% of the outstanding shares of \$4.06 Cumulative Preferred Stock.

If any meeting of the holders of \$4.06 Cumulative Preferred Stock required by this subparagraph C to be called shall not have been called within 10 days after personal service of a written request therefor upon the Secretary of the Corporation or within 15 days after mailing the same within the United States of America by registered mail addressed to the Secretary of the Corporation at its principal office, then the holders of record of at least 10% of the outstanding shares of \$4.06 Cumulative Preferred Stock may designate in writing one of their number to call such meeting at the expense of the Corporation and such meeting may be called by such person so designated upon the notice required for annual meetings of stockholders. Any holder of \$4.06 Cumulative Preferred Stock so designated shall have access to the stock books of the Corporation for the purpose of causing meetings of stockholders to be called pursuant to these provisions.

Any meeting of the holders of \$4.06 Cumulative Preferred Stock to vote as a class for the election or removal of directors shall be held at the place for the holding of the annual meeting of the stockholders of the Corporation. At such meeting, the presence in person or by proxy of the holders of a majority of the outstanding shares of \$4.06 Cumulative Preferred Stock shall be required to constitute a quorum; in the absence of a quorum, a majority of the holders present in person or by proxy shall have power to adjourn the meeting from time to time without notice, other than announcement at the meeting, until a quorum shall be present.

(4) Redemption.

A. The Corporation may, by resolution of its Board of Directors, at its option, at any time, or from time to time, on or after the Initial Date, as defined in this Section (4)A, redeem all or any of the shares of the \$4.06 Cumulative Preferred Stock by paying in cash a "Redemption Price" consisting of the sum of (i) \$55.00 per share and (ii) an amount equal to any accumulated and unpaid dividends thereon to the date of redemption or, as the case may be, to the date of deposit of the Redemption Price with the Paying Agent as set forth below. As used in this Section (4) and in Section (6), the term "Initial Date" shall mean the fifth anniversary of the Effective Date.

B. In the event the Corporation shall determine to redeem less than all the shares of \$4.06 Cumulative Preferred Stock then outstanding, the shares to be redeemed shall be selected pro rata, by lot or in such other equitable manner as the Board of Directors may determine, and the certificate of the Secretary of the Corporation, filed with the Transfer Agent or Agents for the shares of \$4.06 Cumulative Preferred Stock, of such determination by the Board of Directors shall be conclusive.

C. Notice of any proposed redemption of shares of \$4.06 Cumulative Preferred Stock shall be given by the Corporation by mailing a copy of such notice at least 30, but not more than 90 days prior to the date fixed for such redemption to the holders of record of the shares of \$4.06 Cumulative Preferred Stock to be redeemed at their respective addresses appearing on the books of the Corporation. Notice so mailed shall

be conclusively presumed to have been duly given whether or not actually received. Such notice shall state that the holders of \$4.06 Cumulative Preferred Stock are entitled to convert such stock prior to its redemption. From and after the date fixed in such notice as the date of redemption, hereinafter called the "Redemption Date," and if funds sufficient to redeem such shares have been irrevocably set aside to pay the Redemption Price, the shares of \$4.06 Cumulative Preferred Stock thereby called for redemption shall cease to be entitled to any dividends declared after the close of business on the Redemption Date and all rights of holders thereof as stockholders of the Corporation (except the right to receive payment of the Redemption Price without interest and the right to convert their shares, as provided below in Section (6)A, at any time up to but not after the close of business on the Redemption Date) shall cease and terminate; or, if such notice of redemption shall have been given as aforesaid at least 30 days prior to the date of redemption specified in the notice and if the Corporation shall so elect, from and after the date (which date shall be the Redemption Date or any date prior thereto, but in neither case earlier than the Initial Date) on which funds sufficient in amount to pay on the Redemption Date the Redemption Price have been deposited with a bank or trust company doing business in the Borough of Manhattan, the City of New York, State of New York or the City of Miami, State of Florida and having a total capital and undivided surplus of at least \$5,000,000, as Paying Agent (provided the notice of redemption shall state the name and address of such Paying Agent and the election of the Corporation to deposit said funds on a date, which shall be at least 15 days subsequent to the date of such notice, with such Paying Agent), the shares of \$4.06 Cumulative Preferred Stock so called for redemption shall cease to be entitled to any dividends declared after the close of business on the date of deposit of the Redemption Price, and all rights of the holders thereof as stockholders of the Corporation (except the right to receive from said Paying Agent the Redemption Price without interest and the right to convert their shares as provided below at any time up to but not after the close of business on the Redemption Date) shall thereupon cease and terminate. Any moneys so deposited with said Paying Agent, which shall remain unclaimed by the holders of shares of \$4.06 Cumulative Preferred Stock so called for redemption at the end of one full calendar year after the Redemption Date, shall be paid by said Paying Agent to the Corporation, and thereafter the holders of the shares of \$4.06 Cumulative Preferred Stock called for redemption shall look only to the Corporation for the payment thereof, without interest. Any funds so deposited with said Paying Agent in respect of \$4.06 Cumulative Preferred Stock converted up to the close of business on the Redemption Date shall be returned to the Corporation upon such conversion.

D. Any provision of this Section (4) to the contrary notwithstanding, in the event that any quarterly dividend due on the \$4.06 Cumulative Preferred Stock shall be in default, and until all such defaults shall have been cured, the Corporation shall not redeem any shares of the \$4.06 Cumulative Preferred Stock unless all outstanding shares of \$4.06 Cumulative Preferred Stock are simultaneously redeemed and shall not purchase or otherwise acquire any shares of \$4.06 Cumulative Preferred Stock except in accordance with a purchase offer made by the Corporation on the same terms to all holders of record of \$4.06 Cumulative Preferred Stock for the purchase by the Corporation of all outstanding shares of \$4.06 Cumulative Preferred Stock; provided, however, that the Corporation or any of its subsidiaries may purchase or otherwise acquire shares of \$4.06 Cumulative Preferred Stock required for delivery on exercise of stock options granted by First Bancshares of Florida, Inc. prior to the Effective Date and outstanding on the Effective Date, to the extent there are insufficient authorized unissued shares of \$4.06 Cumulative Preferred Stock available for that purpose.

(5) *Liquidation Preference.* In the event of a liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the shares of the \$4.06 Cumulative Preferred Stock shall be entitled to receive out of the assets of the Corporation, whether from capital or surplus of any nature, an amount in cash equal to \$55.00 per share together with in each case an amount equal to any accumulated and unpaid dividends thereon to the date of such distribution, and no more, before any payment shall be made or any assets distributed to the holders of Common Stock, or any other stock of the Corporation ranking as to distribution of assets on liquidation junior to the \$4.06 Cumulative Preferred Stock. Neither the sale of all or substantially all of the property and assets of the Corporation to, nor the merger or consolidation of the Corporation into or with any other company shall be deemed to be a liquidation, dissolution or winding up within the meaning of this Section (5). No payment or distribution on account of a liquidation, dissolution or winding up of the Corporation shall be made to the holders of

any other class or series of stock ranking on a parity with the \$4.06 Cumulative Preferred Stock in respect of the distribution of assets, unless there shall be paid at the same time to the holders of the \$4.06 Cumulative Preferred Stock like proportionate distributive amounts, ratably, in proportion to the full distributive amounts to which they and the holders of such parity stock are respectively entitled with respect to such preferential distribution.

(6) *Conversion.* The holders of shares of the \$4.06 Cumulative Preferred Stock shall have the right, at their option, to convert such shares into shares of Common Stock of the Corporation on the following terms and conditions:

A. Upon issuance, the shares of \$4.06 Cumulative Preferred Stock shall be convertible into fully paid and nonassessable shares (calculated as to each conversion to the nearest 1/100th of a share) of Common Stock of the Corporation at the rate of 3.75 shares of Common Stock for each share of \$4.06 Cumulative Preferred Stock surrendered for conversion (the "Conversion Rate"). The Conversion Rate shall be subject to adjustment from time to time in certain instances as hereinafter provided. The Corporation shall make no payment or adjustment on account of any dividends declared but unpaid on the shares of \$4.06 Cumulative Preferred Stock surrendered for conversion prior to the record date for the determination of shareholders entitled to such dividends. In case of the call for redemption of any shares of \$4.06 Cumulative Preferred Stock, such right of conversion shall cease and terminate, as to the shares designated for redemption, at the close of business on the Redemption Date unless default shall be made in the payment of the Redemption Price. In the event of default in the payment of the Redemption Price, such right of conversion shall cease and terminate as to the shares designated for redemption at the close of business on the date that such default is rectified.

B. Before any holder of shares of the \$4.06 Cumulative Preferred Stock shall be entitled to convert the same into Common Stock such holder shall surrender the certificate or certificates therefor (which certificate or certificates, if the Corporation shall so require, shall be duly endorsed or accompanied by appropriate instruments of transfer satisfactory to the Corporation) at the office of the Transfer Agent or Agents for such series or at such other office as may be designated by the Corporation, and shall give written notice to the Corporation at said office that such holder elects to convert the same or part thereof and shall state in writing therein the name or names in which such holder wishes the certificate or certificates for Common Stock to be issued. The Corporation will, as soon as practicable thereafter, issue and deliver at said office to such holder or to the nominee or nominees of such holder, certificates for the number of full shares of Common Stock to which such holder shall be entitled as aforesaid, together with cash in lieu of any fraction of a share as hereinafter provided. Shares of \$4.06 Cumulative Preferred Stock shall be deemed to have been converted as of the date of surrender of such shares for conversion as provided above, and the person or persons entitled to receive the Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such Common Stock as of such date.

C. The number of shares of Common Stock into which each share of \$4.06 Cumulative Preferred Stock is convertible shall be subject to adjustment from time to time only as follows:

(1) In case the Corporation shall at any time (a) pay a dividend or make a distribution to all holders of Common Stock in shares of Common Stock, (b) subdivide its outstanding shares of Common Stock into a larger number of shares, or (c) combine its outstanding shares of Common Stock into a smaller number of shares, each holder of a share of \$4.06 Cumulative Preferred Stock shall thereafter be entitled upon the conversion of each share thereof held by him to receive for each such share the number of shares of Common Stock which he would have owned or have been entitled to receive in respect thereof after the happening of the event or events described above, had such share of \$4.06 Cumulative Preferred Stock been converted prior to the happening of such event or event, the adjustment to become effective immediately at the opening of business on the day next following, for purposes of clause (a), the record date fixed for the determination of the holders of Common Stock entitled to such dividend, or, for purposes of clauses (b) and (c), the day upon which such subdivision or combination shall become effective.

(ii) In case the Corporation shall at any time issue rights or warrants to all holders of Common Stock entitling them to subscribe for or purchase shares of Common Stock at a price per share less than the Current Market Price per share of Common Stock (as defined in Section (6)C(iii)) at the record date for determination of shareholders entitled to receive such rights or warrants, the number of shares of Common Stock into which each share of \$4.06 Cumulative Preferred Stock shall thereafter be convertible shall be determined by multiplying the number of shares of Common Stock into which such share of \$4.06 Cumulative Preferred Stock was theretofore convertible by a fraction, of which the numerator shall be the number of shares of Common Stock outstanding on the date of issuance of such rights or warrants plus the number of additional shares of Common Stock offered for subscription or purchase and of which the denominator shall be the number of shares of Common Stock outstanding on the date of issuance of such rights or warrants plus the number of shares of Common Stock which the aggregate offering price of the total number of shares so offered would purchase at such Current Market Price. Such adjustment shall be made whenever such rights or warrants are issued and upon such issuance shall become effective immediately after the record date for the determination of shareholders entitled to receive such rights or warrants.

(iii) For the purpose of any computation under Section (6)C(ii), the "Current Market Price" per share of Common Stock at any date shall be deemed to be the average of the daily closing prices for the Common Stock for 30 consecutive business days commencing 45 business days before the day in question. The closing price for each day shall be the last reported sale price (or bid price if there were no sales) per share on the New York Stock Exchange, or, if the Common Stock is not listed or admitted to trading on such Exchange, on the principal national securities exchange on which the Common Stock is listed or admitted to trading or, if not listed or admitted to trading on any national securities exchange, the average of the closing bid and asked prices of the Common Stock on each day as furnished by the National Quotation Bureau, Inc. or, if the National Quotation Bureau, Inc. at the time no longer furnishes such information, by such other organization as may at the time furnish such information on a regular basis or, in the absence of any such other organization, by any member of the New York Stock Exchange selected from time to time by the Corporation for the purpose.

(iv) In case at any time there shall be any reclassification of the Common Stock or a consolidation of the Corporation with or a merger of the Corporation with or into any other corporation or a sale of the properties and assets of the Corporation as, or substantially as, an entirety to any other corporation, each share of \$4.06 Cumulative Preferred Stock shall, after such reclassification, consolidation, merger or sale, be convertible into the number of shares of stock or other securities and the amount and kind of property to which a holder of the number of shares of Common Stock deliverable upon conversion of such share of \$4.06 Cumulative Preferred Stock would have been entitled upon such reclassification, consolidation, merger or sale; and in any case, if necessary, the provisions in this Section (6)C with respect to the rights and interests thereafter of the holders of \$4.06 Cumulative Preferred Stock shall be appropriately adjusted so as to be convertible, as nearly as may reasonably be possible, to any shares of stock or other securities or property thereafter deliverable upon conversion of the shares of \$4.06 Cumulative Preferred Stock. The subdivision or combination of shares of Common Stock at any time outstanding into a greater or lesser number of shares of Common Stock shall not be deemed to be a reclassification of stock of the Corporation for the purposes of this subparagraph (iv).

(v) The Corporation shall not be required to issue fractional shares of Common Stock upon conversion of shares of \$4.06 Cumulative Preferred Stock. If more than one share of \$4.06 Cumulative Preferred Stock shall be surrendered for conversion at one time by the same holder, the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares so surrendered. If any fractional interest in a share of Common Stock would be deliverable upon the conversion of any shares of \$4.06 Cumulative Preferred Stock, the Corporation shall in lieu of delivering the fractional share therefor make an adjustment therefor in cash at the market value thereof. For such purpose, the market value of a share of Common Stock shall be the last sale price (or bid price if there were no sales) per share on the New York Stock Exchange on the business day which next precedes the day of surrender of the share for conversion or,

if the Common Stock is not listed or admitted to trading on such Exchange, on the principal national securities exchange on which the Common Stock is listed or admitted to trading or, if not listed or admitted to trading on any national securities exchange, the average of the closing bid and asked prices of the Common Stock at the close of business on the business day which next precedes the day of surrender of the share for conversion, as furnished by the National Quotation Bureau, Inc. or, if the National Quotation Bureau, Inc. at the time no longer furnishes such information, by such other organization as may at the time furnish such information on a regular basis or, in the absence of any such other organization, by any member of the New York Stock Exchange selected from time to time by the Corporation for the purpose. This subparagraph (v) shall not apply for purposes of making adjustments to the Conversion Rate under Sections (6)C(i) and (ii).

(vi) Notwithstanding anything in this Section (6) to the contrary, no adjustment in the number of shares of Common Stock into which each share of \$4.06 Cumulative Preferred Stock is convertible shall be required unless such adjustment would require an increase or decrease of at least 1/100th of one share of Common Stock; provided, however, that any adjustments which by reason of this subparagraph (vi) are not required to be made shall be carried forward and taken into account in any subsequent adjustment.

(vii) Whenever any adjustment in the Conversion Rate is required pursuant to this Section (6)C, the Corporation shall forthwith keep available at the office of the Transfer Agent or Agents at which \$4.06 Cumulative Preferred Stock is convertible a statement describing in reasonable detail the adjustment and the method of calculation used. The Corporation shall also cause a notice, stating that such adjustment has been effected and setting forth the adjusted Conversion Rate, to be sent by first-class mail, postage prepaid, to each holder of record of the outstanding shares of \$4.06 Cumulative Preferred Stock.

D. The Transfer Agent or Agents of the \$4.06 Cumulative Preferred Stock shall have no duty with respect to any statement referred to in Section (6)C(vii) except to keep the same on file and available to holders of shares of \$4.06 Cumulative Preferred Stock during reasonable business hours, and shall not be responsible or accountable to any holder of shares of \$4.06 Cumulative Preferred Stock for any action in conformity therewith. Nothing herein shall create or imply any obligation on the part of any such Transfer Agent or Agents to request any such statement.

E. The Corporation shall at all times reserve and keep available, out of its authorized but unissued shares of Common Stock or out of shares of Common Stock held in its treasury, the full number of shares of Common Stock into which all shares of \$4.06 Cumulative Preferred Stock from time to time outstanding are convertible.

F. The issuance of stock certificates on conversions of \$4.06 Cumulative Preferred Stock shall be made free of any tax in respect of such issue. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of stock in a name other than that of the holder of the \$4.06 Cumulative Preferred Stock converted, and the Corporation shall not be required to issue or deliver any such stock certificate unless and until the person or persons requesting the issuance thereof shall have paid to the Corporation the amount of any such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

(7) Notices. In case at any time:

A. The Corporation shall declare any dividend payable in stock upon its Common Stock or any distribution (other than cash dividends) to the holders of its Common Stock or shall subdivide or combine its outstanding shares of Common Stock into a greater or smaller number of shares; or

B. The Corporation shall offer for subscription pro rata to the holders of its Common Stock any additional shares of stock of any class or any other rights; or

C. The Corporation shall declare any cash dividend on the Common Stock which, together with all other cash dividends paid in the same fiscal year as the dividend in question, exceeds 200% of the aggregate of all cash dividends paid during the preceding calendar year on the Common Stock; or

D. The Corporation shall propose to effect any reclassification of the Common Stock or any consolidation of the Corporation with or merger of the Corporation with or into any other corporation or a sale of the properties or assets of the Corporation as, or substantially as, an entirety to any other corporation which would result in an adjustment under Section (6)C(iv).

then, and in any one or more of said cases, the Corporation shall cause notice thereof to be mailed to each holder of \$4.06 Cumulative Preferred Stock at least twenty (20) days prior to the record date for such dividend, distribution or subscription rights offering or other event or, if there be no record date, the effective date thereof, and shall specify the date as of which holders of Common Stock of record shall participate therein or be affected thereby.

(8) *Reacquired Shares.* Shares of \$4.06 Cumulative Preferred Stock converted, redeemed or otherwise purchased or acquired by the Corporation shall not be reissued or otherwise disposed of and the Corporation may from time to time cause all shares of \$4.06 Cumulative Preferred Stock converted, redeemed or otherwise purchased or acquired to be retired in the manner provided by law; provided, however, that nothing herein shall preclude the reissuance of reacquired shares of \$4.06 Cumulative Preferred Stock if required for delivery on exercise of stock options granted by First Bancshares of Florida, Inc. prior to the Effective Date, and outstanding on the Effective Date, to the extent there are insufficient authorized unissued shares of \$4.06 Cumulative Preferred Stock available for that purpose.

(9) *Miscellaneous.* The shares of the \$4.06 Cumulative Preferred Stock shall not be subject to the operation of or to the benefit of any retirement or sinking fund. The shares of the \$4.06 Cumulative Preferred Stock shall not have any relative, participating, optional or other special rights and powers other than as set forth above in this Resolution and in the Certificate of Incorporation of the Corporation, as amended.

ACKNOWLEDGMENT OF ASSISTANT SECRETARY
OF SOUTHEAST BANKING CORPORATION

State of *New York*)
County of *New York*) SS

BE IT REMEMBERED that on this day before me, the undersigned, a notary public in and for the County and State aforesaid, personally came Bruce W. Keihner, Assistant Secretary of Southeast Banking Corporation, a corporation organized and existing under the laws of the State of Florida, known to me personally to be Bruce W. Keihner, Assistant Secretary of said Corporation and before me acknowledged the above and foregoing Statement of Classification of Shares of Southeast Banking Corporation to be the act, deed and agreement of said Corporation, and that the signing, acknowledgment and filing of said statement was duly authorized by resolutions of the Board of Directors and the Executive Committee thereof of said Corporation.

IN WITNESS WHEREOF; I have hereunto set my hand and seal this 18th day of December 1979.

Alice M. Worth
NOTARY PUBLIC

State of *New York* at Large

My Commission Expires:

ALICE M. WORTH
Notary Public, State of New York
No. 314647783
Qualified in New York County
Certificate Filed in Kings County
Commission Expires March 30, 1981