

H71008

Inter-Office
Communication

Comptroller of Florida
Division of Banking

DATE: March 25, 1998

TO: Karon Beyer, Department of State
Division of Corporations - Bureau of Commercial Recording

FROM: *JAP* John A. Pullen, Licensing and Chartering

SUBJECT: Formation of a Successor Institution, Highlands Independent
Successor Bank, and Merger of the Successor Institution into
Highlands Independent Bank

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

98 MAR 25 AM 11:22

FILED

Please file the attached Articles of Incorporation (original and two copies) for Highlands Independent Successor Bank using April 1, 1998, as the effective date. Please distribute copies of the filed articles:

(1) One copy to: Division of Banking
Office of Licensing and Chartering
101 East Gaines Street
Tallahassee, Florida 32399-0350

800002468698--4
-03/26/98--01011--002
****367.50 ****227.50

(2) One copy to: John P. Greeley, Esquire
Smith, Mackinnon, Greeley, Bowdoin & Edwards
Post Office Box 2254
Orlando, Florida 32802-2254

Please file the attached "Plan of Merger and Merger Agreement" (original and three copies) for the above-referenced institutions, using April 1, 1998, as the effective date. Please distribute certified copies:

(1) One copy to: Division of Banking
Office of Licensing and Chartering
101 East Gaines Street
Tallahassee, Florida 32399-0350

EFFECTIVE DATE
4-1-98

(2) One copy to: Federal Deposit Insurance Corporation
Suite 1600, One Atlantic Center
1201 West Peachtree Street, Northeast
Atlanta, Georgia 30309-3449

merger
LFT
3-26-98

(3) One copy to: John P. Greeley, Esquire
Smith, Mackinnon, Greeley, Bowdoin & Edwards
Post Office Box 2254
Orlando, Florida 32802-2254

Also attached is a check, in the amount of \$367.50, which represents payment of the filing fees, charter tax and certified copies. If you have any questions, please call me at 414-8067.

JAP:bms

Attachments

cc: Federal Deposit Insurance Corporation, Atlanta, Georgia
Bureau of Financial Institutions - District II

ARTICLES OF MERGER
Merger Sheet

MERGING:

HIGHLANDS INDEPENDENT SUCCESSOR BANK, a Florida corporation
(Document #P98000028088)

INTO

HIGHLANDS INDEPENDENT BANK, a Florida corporation, H71008

File date: March 25, 1998, effective April 1, 1998

Corporate Specialist: Louise Flemming-Jackson



OFFICE OF COMPTROLLER
DEPARTMENT OF BANKING AND FINANCE
STATE OF FLORIDA
TALLAHASSEE
32399-0350

ROBERT F. MILLIGAN
COMPTROLLER OF FLORIDA

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98 MAR 25 AM 11:22
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Having given my approval on March 2, 1998, to merge Highlands Independent Bank, Sebring, Highlands County, Florida, and Highlands Independent Successor Bank, Sebring, Highlands County, Florida, (a Successor Institution), and being satisfied that the conditions of my approval have been met, I hereby approve for filing with the Department of State, the attached "Agreement and Plan of Merger", which contains the Articles of Incorporation of Highlands Independent Bank (the resulting bank), so that effective on April 1, 1998, they shall read as stated herein.

Signed on this 20th day of
March, 1998.


Comptroller

EFFECTIVE DATE

4-1-98

PLAN OF MERGER AND MERGER AGREEMENT

FILED

98 MAR 25 AM 11:22

HIGHLANDS INDEPENDENT SUCCESSOR BANK

with and into

HIGHLANDS INDEPENDENT BANK

under the charter of

HIGHLANDS INDEPENDENT BANK

under the title of

"HIGHLANDS INDEPENDENT BANK"

("Resulting Bank")

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

THIS AGREEMENT made between HIGHLANDS INDEPENDENT BANK (hereinafter referred to as the "Bank"), a banking corporation organized under the laws of the State of Florida, with its main office located at 2600 U.S. Highway 27 North, Sebring, FL 33870, County of Highlands, in the State of Florida, and one branch office located at 400 U.S. Highway 27 North, Avon Park, Florida 33825, with a Capital of \$2,993,090, divided into 598,618 shares of common stock, each of \$5.00 par value, Surplus of \$2,033,471, and Undivided Profits including Capital Reserves of \$2,607,030 as of September 30, 1997, and HIGHLANDS INDEPENDENT SUCCESSOR BANK (hereinafter referred to as the "Successor Bank"), a banking corporation organized under the laws of the State of Florida, with its main office located at: 2600 U.S. Highway 27 North, Sebring, County of Highlands, in the State of Florida, with a Capital of \$1.00, divided into one share of common stock of \$1.00 par value, no Surplus and no Undivided Profits or Capital Reserves as of September 30, 1997, and joined in by HIGHLANDS INDEPENDENT BANCSHARES, INC. (hereinafter referred to as the "Company"), a Florida corporation, with a Capital of \$1.00 divided into one share of Common Stock of \$.01 par value, no Surplus and no Undivided Profits or Capital Reserves as of September 30, 1997.

WHEREAS, a majority of the entire Board of Directors of the Bank and a majority of the entire Board of Directors of the Successor Bank have, respectively, approved and made this Agreement and authorized its execution pursuant to the authority given by and in accordance with the provisions of Section 658.40 through 658.45, Florida Statutes, and a majority of the entire Board of Directors of the Company has approved this Agreement, undertaken that the Company shall join in and be bound by it, and authorized the undertakings hereinafter made by the Company; and

WHEREAS, from and after the time the merger provided for herein (hereinafter referred to as the "Merger") becomes effective, and as and when required by the provisions of this Agreement, the Company will issue the shares of its Common Stock which the shareholders of the Bank will be entitled to receive as herein provided.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and agreements herein contained, the parties hereto agree as follows:

SECTION 1

The Successor Bank shall be merged into the Bank under the charter of the Bank.

SECTION 2

The name of the Resulting Bank shall be "HIGHLANDS INDEPENDENT BANK." The Resulting Bank will not exercise trust powers.

SECTION 3

The business of the Resulting Bank shall be that of a state banking corporation. This business shall be conducted by the Resulting Bank at its main office which shall be located at 2600 U.S. Highway 27 North, Sebring, FL 33870 and a branch office located at 400 U.S. Highway 27 North, Avon Park, Florida 33825.

SECTION 4

Immediately upon the merger becoming effective, (i) the Resulting Bank will distribute to the Company as its sole shareholder the sum of \$1.00 from the combined capital of the merging banks so that the amount of capital stock of the Resulting Bank shall be \$2,993,090, divided into 598,618 shares of common stock, each of \$5.00 par value, and at the time the Merger shall become effective, the Resulting Bank shall have a Surplus of \$2,033,471, and Undivided Profits including Capital Reserves of \$2,607,030, which when combined with the capital and surplus will be equal to the combined capital structures of all of the merging or constituent banks as stated in the preamble of this Agreement, adjusted, however, for normal earnings and expenses between September 30, 1997 and the effective time of the Merger and (ii) the Resulting Bank will have 101,382 authorized but unissued shares of common stock, each of \$5.00 per value. Preferred stock shall not be issued by the Resulting Bank.

SECTION 5

All assets of the Bank and the Successor Bank, as they exist at the effective time of the Merger shall pass to and vest in the Resulting Bank without any conveyance or other transfer; and the Resulting Bank shall be considered the same business and corporate entity as each constituent bank with all the rights, powers and duties of each constituent bank and the Resulting Bank shall be responsible for all the liabilities of every kind and description, of each of the Bank and the Successor Bank existing as of the effective time of the Merger.

SECTION 6

The Bank shall contribute to the Resulting Bank acceptable assets having a book value, over and above its liability to its creditors, of at least \$7,633,591, and having an estimated fair value as shown on the books of the financial institution, over and above its liability to its creditors, of at least \$7,633,591, adjusted, however, for normal earnings and expenses between September 30, 1997 and the effective time of the Merger, and for allowance of cash payments permitted under this Agreement.

At the effective time of the Merger, the Resulting Bank shall have on hand acceptable assets having a book value, over and above its liability to its creditors, of at least \$7,633,591, and having an estimated fair value, over and above its liability to its creditors, of at least \$7,633,591, adjusted, however, for normal earnings and expenses between September 30, 1997 and the effective time of the Merger, and for allowance of cash payments permitted under this Agreement.

SECTION 7

Of the capital stock of the Resulting Bank, the presently outstanding share of common stock of the Successor Bank, \$1.00 par value, shall be redeemed; and the shareholders of the Bank, in exchange for the assets contributed by the Bank to the Resulting Bank, shall be entitled to receive two shares of common stock of the Company, each of \$.01 par value, for each share of common stock of the Bank, each of \$5.00 par value, surrendered in exchange therefor.

Outstanding certificates representing shares of the common stock of the Bank shall, on the effective date of the Merger, represent shares of the common stock of the Company, and such certificates shall be exchanged by the holders thereof, after the Merger becomes effective, for new certificates for the appropriate number of shares bearing the name of the Company. The Company may withhold, from the holder of shares represented by certificates of the Bank, distribution of any or all dividends declared by the Company on such shares until such time as such Bank certificates shall be surrendered and exchanged for one or more certificates representing shares of the common stock of the Company, at which time dividends so withheld by the Company with respect to such shares shall be delivered, without interest thereon, to the shareholder to whom such certificate(s) are issued.

Upon the effective date of the Merger, each outstanding warrant, option or right to purchase or otherwise acquire shares of common stock of the Bank shall be converted into a warrant, option or right to purchase or otherwise acquire (i) a number of shares of Company common stock equal to two times the number of shares of Bank common stock subject to such warrant, option or right, and (ii) the exercise price per share of the Company common stock at which such warrant, option or right is exercisable shall be an amount equal to one-half of the exercise price per share of the Bank common stock at which such warrant, option or right was exercisable immediately prior to the Merger.

SECTION 8

Upon the Merger becoming effective, the Company shall redeem the one share of Common Stock issued upon its organization for the \$1.00 paid to the Company for such share, so that upon consummation of the Merger the then outstanding shares of the Company's Common Stock shall consist solely of the shares to be issued by the Company upon the conversion and exchange of shares of Common Stock of the Bank.

SECTION 9

The shares of the Company which are not taken by dissenting shareholders of the Bank shall remain authorized and unissued.

SECTION 10

The owners of shares which voted against the approval of the Merger shall be entitled to receive their value in cash, if and when the Merger becomes effective. The value of such shares of the Bank shall be determined in accordance with Section 658.44, Florida Statutes.

SECTION 11

Neither the Bank nor the Successor Bank shall declare or pay any dividend to its shareholders between the date of this Agreement and the time at which the Merger shall become effective, nor dispose of any of its assets in any other manner except in the normal course of business and for adequate value.

SECTION 12

The following named persons shall serve as the Board of Directors and executive officers of the Resulting Bank until the next annual meeting of shareholders or until such time as their successors have been elected and have qualified:

A. Directors:

<u>Name</u>	<u>Street Address</u>
Robert J. Barben	Post Office Box 1056, Avon Park, FL 33825
James O. Crawford	702 9th Avenue, Sebring, FL 33872
Robert C. Crews	Post Office Box 1117, Avon Park, FL 33825
Joe L. Davis	Post Office Box 1149, Wauchula, FL 33873

<u>Name</u>	<u>Street Address</u>
Edward O. Koch, Jr.	1908 DeLeon Place, Sebring, FL 33870
Kye C. Pahk	4017 Lafayette Avenue, Sebring, FL 33872
Charles R. Schumacher	1901 DeSoto Place, Sebring, FL 33870
Charles L. Shackelford	Post Office Box 1420, Wauchula, FL 33873
C. Wayne Taylor	814 N.W. Lakeview Drive, Sebring, FL 33870
Thomas S. Watkins	Post Office Box 1355, Avon Park, FL 33825

B. Executive Officers:

<u>Name</u>	<u>Position</u>	<u>Address</u>
Robert J. Barben	Chairman of the Board	Post Office Box 1056 Avon Park, FL 33825
C. Wayne Taylor	Vice Chairman of the Board	814 N.W. Lakeview Drive Sebring, FL 33870
James O. Crawford	President and Chief Executive Office of the Bank	702 9th Avenue Sebring, FL 33872
Hazel J. Steedley	Secretary and Treasurer	223 Jay Avenue Sebring, FL 33872

SECTION 13

In the event that:

(a) The number of outstanding shares of Common Stock of the Bank voting against the Merger, or in respect of which written notice is given purporting to dissent from the Merger, makes consummation of the Merger inadvisable in the opinion of either the Board of Directors of the Bank or the Board of Directors of the Successor Bank; or

(b) Any action, suit, proceeding or claim has been instituted, made or threatened relating to the proposed Merger which shall make consummation of the Merger inadvisable in the opinion of either the Board of Directors of the Bank or the Board of Directors of the Successor Bank; or

(c) Any action, consent, or approval, governmental or otherwise, which is, or in the opinion of counsel for the Bank may be, necessary to permit or enable the Resulting Bank, upon and after the Merger, to conduct all or any part of the business activities being conducted by the Bank as of the time of the Merger, in the manner in which such activities and business are then conducted, shall not have been obtained; or

(d) The opinion referred to in Section 15(c), below, shall not have been obtained; or

(e) The Merger has not been consummated by June 30, 1998 (unless extended by the mutual consent of the parties hereto); or

(f) For any other reason consummation of the Merger is inadvisable in the opinion of the Board of Directors of both the Bank and the Successor Bank, then this Agreement may be terminated at any time before the Merger becomes effective by written notice by either the Bank or the Successor Bank to the other of them, authorized or approved by resolution adopted by the Board of Directors of the one of them giving such notice. Upon termination by written notice as provided in this Section 12, this Agreement shall be void and of no further effect, and there shall be no liability by reason of this Agreement or the termination thereof on the part of either the Bank, the Successor Bank, the Company or the directors, officers, employees, agents or shareholders of any of them.

SECTION 14

This Agreement shall be ratified and confirmed by the affirmative vote of the shareholders of each of the constituent banks owning at least a majority of its capital stock outstanding, at a meeting to be held on the call of the Directors or as otherwise provided by the bylaws, and the Merger shall become effective at the time specified in a Certificate to be issued by the Comptroller of Florida, pursuant to Section 658.45, Florida Statutes, under the seal of his office, approving the Merger.

SECTION 15

This Agreement is also subject to the following terms and conditions:

(a) The Florida Department of Banking and Finance shall have approved this Agreement and shall have issued all other necessary authorizations and approvals for the Merger, including a Certificate of Merger;

(b) The appropriate federal regulatory agencies shall have approved the Merger and shall have issued all other necessary authorizations and approvals for the Merger, and any statutory waiting period shall have expired; and

(c) The receipt of an opinion satisfactory in form and substance to the Board of Directors of the Bank to the effect that, under applicable provisions of the Internal Revenue Code of 1986, as amended, no gain or loss will be recognized for federal income tax purposes by the Bank, the Company or the shareholders of the Bank who receive stock of the Company in connection with the proposed reorganization, and as to such other matters as the Board of Directors shall deem desirable and in the best interest of the shareholders of the Bank.

SECTION 16

Effective as of the time this Merger shall become effective as specified in the "Certificate of Merger" to be issued by the Comptroller of Florida, the Articles of Incorporation of the Resulting Bank shall read as set forth in Appendix "A", annexed hereto and made a part hereof.

WITNESS the signatures and seals of said constituent banks on the dates set forth below, each hereunto set by its Chairman of the Board and attested by its Cashier, pursuant to a resolution of its Board of Directors, acting by a majority thereof, and witness the signatures hereto of a majority of each of said Board of Directors.

HIGHLANDS INDEPENDENT BANK

Attest:

Wayne J. Steedley

By: James O. Crawford
James O. Crawford
President and Chief Executive Officer

Robert J. Barben
Robert J. Barben

James O. Crawford
James O. Crawford

Robert E. Crews
Robert E. Crews

Joe L. Davis
Joe L. Davis

Edward O. Koch, Jr.
Edward O. Koch, Jr.

Kye C. Pahk
Kye C. Pahk

Charles R. Schumacher
Charles R. Schumacher

Charles L. Shackelford
Charles L. Shackelford

C. Wayne Taylor
C. Wayne Taylor

Thomas S. Watkins
Thomas S. Watkins

(A Majority of the Directors of Highlands Independent Bank)

**HIGHLANDS INDEPENDENT
SUCCESSOR BANK**

Attest:

Wayl J. Steedley

By: James O. Crawford
James O. Crawford
President and Chief Executive Officer

Robert J. Barben
Robert J. Barben

James O. Crawford
James O. Crawford

Robert C. Crews
Robert C. Crews

Joe L. Davis
Joe L. Davis

Edward O. Koch, Jr.
Edward O. Koch, Jr.

Kye C. Pahn
Kye C. Pahn

Charles R. Schumacher
Charles R. Schumacher

Charles L. Shackelford
Charles L. Shackelford

C. Wayne Taylor
C. Wayne Taylor

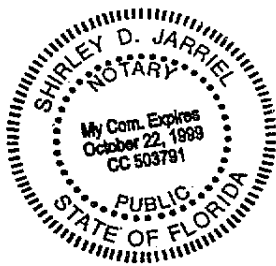
Thomas S. Watkins
Thomas S. Watkins

(A Majority of the Directors of Highlands
Independent Successor Bank)

STATE OF FLORIDA)
) SS:
COUNTY OF HIGHLANDS)

On this 17th day of November, 1997, before me, a Notary Public for the State and County aforesaid, personally appeared James O. Crawford, as President and Chief Executive Officer, and Hazel J. Steedley, as Cashier, of Highlands Independent Successor Bank, and each in his or her said capacity acknowledged the foregoing instrument to be the act and deed of said bank and the seal affixed hereto to be its seal; and came also Robert J. Barben, James O. Crawford, Robert C. Crews, Joe L. Davis, Edward O. Koch, Jr., Kye C. Pahk, Charles R. Schumacher, Charles L. Shackelford, C. Wayne Taylor and Thomas S. Watkins, being a majority of the Board of Directors of said bank, and each of them acknowledged said instrument to be the act and deed of said bank and of himself as a director thereof.

WITNESS my official seal and signature this day and year aforesaid.

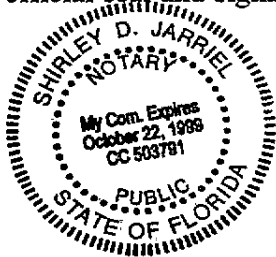


Shirley D. Jarriel
Printed Name: SHIRLEY D. JARRIEL
Notary Public, State of Florida
My Commission Expires: 10-22-99

STATE OF FLORIDA)
) SS:
COUNTY OF HIGHLANDS)

On this 17th day of November, 1997, before me, a Notary Public for the State and County aforesaid, personally appeared James O. Crawford, as President and Chief Executive Officer, and Hazel J. Steedley, as Secretary of Highlands Independent Bancshares, Inc., and each in his or her said capacity acknowledged the foregoing instrument to be the act and deed of said corporation and the seal affixed hereto to be its seal.

WITNESS my official seal and signature this day and year aforesaid.



Shirley D. Jarriel
Printed Name: SHIRLEY D. JARRIEL
Notary Public, State of Florida
My Commission Expires: 10-22-99

RESTATED ARTICLES OF INCORPORATION
OF
HIGHLANDS INDEPENDENT BANK

Highlands Independent Bank, whose original Restated Articles of Incorporation were filed by the Florida Department of State on August 13, 1985, does hereby set forth the Restated Articles of Incorporation of the Bank pursuant to the Florida Banking Code and the Florida Business Corporation Act.

ARTICLE I

Name

The name of the Bank is Highlands Independent Bank.

ARTICLE II

Commencement of Corporate Existence; Duration

The Bank shall exist perpetually commencing August 13, 1985, unless its existence is terminated pursuant to the Florida Banking Code.

ARTICLE III

Purpose and General Powers

The general nature of the business to be transacted by the Bank shall be that of a general banking business, with all the rights, powers and privileges granted, conferred or permitted by the banking laws of the State of Florida, and other applicable laws regulating or otherwise applicable to the organization, rights, powers, privileges or management of banking corporations created and existing under and by virtue of the laws of the State of Florida.

EXHIBIT A

ARTICLE IV

Capital Stock

A. Number and Class of Shares Authorized; Par Value

The Bank is authorized to issue 750,000 shares of Common Stock, with a par value of \$5.00 per share, which shall be designated "Common Stock."

B. Voting Rights

The Common Stock shall possess and exercise exclusive voting rights and at all meetings of the shareholders each record holder of such stock shall be entitled to one vote for each share held. Shareholders holding Common Stock shall have no cumulative voting rights in any election of directors of the Bank.

C. No Preemptive Rights

No holder of shares of any class of the capital stock of the Bank shall have as a matter of right any preemptive or preferential right to subscribe for, purchase, receive, or otherwise acquire any part of any new or additional issue of stock of any class, whether now or hereafter authorized, or any bonds, debentures, notes, or other securities of the Bank, whether or not convertible into shares of stock of the Bank.

ARTICLE V

Initial Place of Business

The street address of the Bank shall be located at: 2600 U.S. Highway 27 North, Sebring, Florida 33870.

ARTICLE VI

Board of Directors

The number of Directors of this Bank shall be the number from time to time determined in accordance with the provisions of the Bylaws of the Bank, but at no time shall the number of Directors be less than five. A majority of the full Board of Directors may, at any time during the year following the annual meeting of shareholders in which such action has been

authorized, increase the number of Directors of the Bank by not more than two and appoint persons to fill the resulting vacancies. The following sets forth the names of the Directors of the Bank as of the filing of these Restated Articles of Incorporation:

Robert J. Barben
James O. Crawford
Robert C. Crews
Joe L. Davis
Edward O. Koch, Jr

Kye C. Pahk
Charles R. Schumacher
Charles L. Shackelford
C. Wayne Taylor
Thomas S. Watkins

ARTICLE VII

Bylaws

The power to adopt, alter, amend or repeal Bylaws shall be vested in the Board of Directors.

ARTICLE VIII

Indemnification

The Bank shall indemnify each director and officer to the fullest extent permitted by law and such indemnity shall include advances for expenses and costs incurred by such director or officer related to any action in regard to which indemnity is permitted.

ARTICLE IX

Amendment

The Bank reserves the right to amend or repeal any provisions contained in these Restated Articles of Incorporation, or any amendment hereto, and any right conferred upon the shareholders is subject to this reservation.

ARTICLE X

Headings and Captions

The headings or captions of these various Restated Articles of Incorporation are inserted for convenience and none of them shall have any force or effect, and the interpretation of the various articles shall not be influenced by any of said headings or captions.

CERTIFICATE

I HEREBY CERTIFY that I am the Cashier of Highlands Independent Successor Bank (the "Successor Bank"), and that I have been appointed and am presently serving in that capacity in accordance with the bylaws of Successor Bank. I further certify as follows:

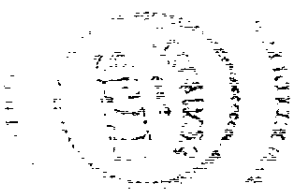
1. That the following resolution was duly adopted by the shareholders of Successor Bank on December 4, 1997, and said resolution is presently in full force and effect and has not been revoked or rescinded as of the date hereof:

RESOLVED, that the shareholders of Successor Bank hereby authorize Successor Bank to enter into a Plan of Merger and Merger Agreement, with Highlands Independent Bank (the "Bank"), Successor Bank and Highlands Independent Bancshares, Inc. pursuant to which Successor Bank will merge with the Bank, resulting in the Bank becoming a wholly-owned subsidiary of Highlands Independent Bancshares, Inc., and the Agreement is hereby authorized, adopted, approved, ratified and confirmed.

2. That the number of shares voted to approve the resolution was one, no shares were voted in dissent, one share was voted in person, and no shares were voted by proxy.

IN WITNESS WHEREOF, I have hereunto signed my name and set the seal of the Bank effective this 4th day of December, 1997.


HAZEL J. STEEDLEY



CERTIFICATE

I HEREBY CERTIFY that I am the Cashier of Highlands Independent Bank (the "Bank"), and that I have been appointed and am presently serving in that capacity in accordance with the bylaws of the Bank. I further certify as follows:

1. That the following resolutions were duly adopted by the shareholders of the Bank on March 16, 1998, and said resolutions are presently in full force and effect and have not been revoked or rescinded as of the date hereof:


BE IT RESOLVED, that the Plan of Merger and Merger Agreement, dated November 17, 1997 between Highlands Independent Bancshares, Inc., Highlands Independent Successor Bank, and Highlands Independent Bank and the merger and transactions contemplated thereby, all as more fully described in the Proxy Statement delivered to Bank shareholders, be, and they hereby are, authorized, adopted, and approved by the shareholders of the Bank; and it is

FURTHER RESOLVED, that each and every resolution which is advisable or required to be adopted to carry out the purposes and intent of the foregoing resolution shall be deemed to be, and the same hereby is, adopted and approved as if fully rewritten herein; and it is

FURTHER RESOLVED, that the President and Chief Executive Officer and the other proper officers of the Bank be, and each of them hereby is, acting alone, authorized and empowered, in the name and on behalf of the Bank, from time to time, to execute and deliver such other and further agreements, certificates, notices, statements, instruments, and documents, and to do and perform all such acts and things as any of them, in his or her discretion, may deem necessary or advisable, to enable this Bank to accomplish the purposes and carry out the intent of the foregoing resolutions.

2. That the number of shares voted to approve the foregoing resolution was 472,588, the number of shares voted in dissent was 0, the number of shares voted in person was 175,737, and the number of shares voted by proxy was 296,851.

IN WITNESS WHEREOF, I have hereunto signed my name and set the seal of the Bank effective this 16th day of March, 1998.



Nancy K. Macklin