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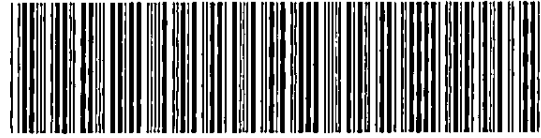
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**EFFECTIVE DATE**

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STATE  
TALLAHASSEE, FLORIDA

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FLORIDA OFFICE OF  
**FINANCIAL**  **REGULATION**


INTEROFFICE COMMUNICATION

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DATE: December 28, 2018

TO: Ms. Diane Cushing, Department of State  
Division of Corporations

FROM: Jason Guevara, Financial Administrator 

SUBJECT: Merger of PSB Bancgroup, Inc. with and into Drummond Banking Company

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Please file the attached articles for the above-reference entities, using the effective time and date of 12:01 a.m., January 1, 2019.

Please make the following distribution of copies:

(1) One certified copy to: Mr. John p. Greeley  
Smith Mackinnon, PA  
Suite 1200  
Citrus Center  
255 South Orange Avenue  
Orlando, FL 32801

Also attached is a check that represents payment of the filing fees and certified copies. If you have any questions please call (850) 410-9513.

**ARTICLES OF MERGER  
OF  
PSB BANCGROUP, INC.  
WITH AND INTO  
DRUMMOND BANKING COMPANY**

FILED  
18 DEC 28 AM 8:14  
COUNTY OF ST. JACOB  
TALLAHASSEE, FLORIDA

Pursuant to the provisions of the Florida Business Corporation Act, PSB BancGroup, Inc. and Drummond Banking Company do hereby adopt the following Articles of Merger for the purpose of merging PSB BancGroup, Inc. with and into Drummond Banking Company.

FIRST: The names of the corporations which are parties to the merger (the "Merger") contemplated by these Articles of Merger are PSB BancGroup, Inc., a Florida corporation, and Drummond Banking Company, a Florida corporation. The surviving corporation in the Merger is Drummond Banking Company, which shall continue to conduct its business following effectiveness of the Merger under the name "Drummond Banking Company."

SECOND: The Plan of Merger is set forth in the Agreement and Plan of Merger dated as of July 23, 2018, by and between Drummond Banking Company and PSB BancGroup, Inc. (the "Plan of Merger"). A copy of the Plan of Merger is attached hereto and made a part hereof by reference as if fully set forth herein.

THIRD: The Merger shall become effective at 12:01 a.m., Eastern Time, on January 1, 2019.

FOURTH: The Plan of Merger was adopted by the shareholders of PSB BancGroup, Inc., on October 4, 2018. The Plan of Merger was adopted by the board of directors of Drummond Banking Company on July 23, 2018. The approval of the Plan of Merger by the shareholders of Drummond Banking Company was not required.

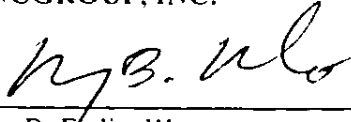
FIFTH: The Articles of Incorporation of Drummond Banking Company shall serve as the Articles of Incorporation of the surviving corporation, until amended thereafter in accordance with applicable law.

[Signature page follows]

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2018 DEC 28 PM 12:38  
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IN WITNESS WHEREOF, the parties have caused these Articles of Merger to be executed effective as of December 27, 2018.

**PSB BANCGROUP, INC.**

By:   
Renny B. Eadie, III  
President and Chief Executive Officer

**DRUMMOND BANKING COMPANY**

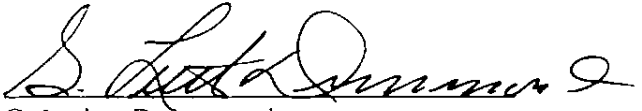
By: \_\_\_\_\_  
G. Luther Drummond  
Chairman

IN WITNESS WHEREOF, the parties have caused these Articles of Merger to be executed effective as of December 27, 2018.

**PSB BANCGROUP, INC.**

By: \_\_\_\_\_  
Renny B. Eadie, III  
President and Chief Executive Officer

**DRUMMOND BANKING COMPANY**

By:   
G. Luther Drummond  
Chairman

**PLAN OF MERGER  
PSB BANCGROUP, INC.  
with and into  
DRUMMOND BANKING COMPANY**

Pursuant to this Plan of Merger dated as of July 23, 2018, PSB BancGroup, Inc., a Florida corporation (“PSB”), shall be merged with and into Drummond Banking Company, a Florida corporation (“DBC”).

**SECTION 1  
DEFINITIONS**

1.1 Effective Time. “Effective Time” shall mean the date and time on which the Merger contemplated by this Plan of Merger becomes effective pursuant to the laws of the States of Florida and Florida, as determined in accordance with Section 2.2 of this Plan of Merger.

1.2 Merger. “Merger” shall refer to the merger of PSB with and into DBC, as provided in Section 2.1 of this Plan of Merger.

1.3 Merger Agreement. PSB and DBC have entered into an Agreement and Plan of Merger dated as of July 23, 2018, 2018 (the “Merger Agreement”).

**SECTION 2  
TERMS OF MERGER**

2.1 Merger. Subject to the terms and conditions set forth in this Plan of Merger, at the Effective Time, PSB shall be merged with and into DBC in accordance with the Florida Business Corporation Act (“FBCA”). DBC shall be the surviving corporation resulting from the Merger (the “Surviving Corporation”) and shall continue to exist and to be governed by the laws of the State of Florida under the corporate name “Drummond Banking Company”. The Surviving Corporation shall assume all of the liabilities of PSB.

2.2 Effective Time. The Merger contemplated by this Plan of Merger shall be effective at the date and time set forth in the Articles of Merger filed with the Secretary of State of Florida.

2.3 Articles of Incorporation and Bylaws. At the Effective Time, the articles of incorporation of DBC in effect immediately prior to the Effective Time shall be the articles of incorporation of the Surviving Corporation until thereafter amended in accordance with applicable law. The amended and restated bylaws of DBC in effect immediately prior to the Effective Time shall be the amended and restated bylaws of the Surviving Corporation until thereafter amended in accordance with applicable law and the terms of such amended and restated bylaws.

2.5 Board of Directors. The directors of DBC shall, from and after the Effective

Time, continue as the directors of the Surviving Corporation until their successors shall have been duly elected, appointed or qualified or until their earlier death, resignation or removal in accordance with the articles of incorporation and amended and restated bylaws of the Surviving Corporation.

2.6 Officers. The officers of DBC shall, from and after the Effective Time, continue as the officers of the Surviving Corporation until their successors shall have been duly elected, appointed or qualified or until their earlier death, resignation or removal in accordance with the articles of incorporation and amended and restated bylaws of the Surviving Corporation.

### SECTION 3 MANNER OF CONVERTING SHARES

Each share of DBC common stock that is issued and outstanding immediately prior to the Effective Time shall remain outstanding following the Effective Time and shall be unchanged by the Merger

Each share of common stock of PSB owned directly by DBC, PSB or any of their respective subsidiaries (other than shares in trust accounts, managed accounts and the like for the benefit of customers or shares held as collateral for outstanding debt previously contracted) immediately prior to the Effective Time, shall be cancelled and retired at the Effective Time without any conversion thereafter, and no payment shall be made with respect to thereto.

Each share of PSB Common Stock issued and outstanding immediately prior to the Effective Time (other than shares owned directly by DBC, PSB or any of their respective subsidiaries (other than shares in trust accounts, managed accounts and the like for the benefit of customers or shares held as collateral for outstanding debt previously contracted)) and excluding shares held by shareholders who perfect their statutory dissenters' rights in accordance with the FBCA), shall be converted, in accordance with the procedures set forth in this Section 3, into the right to receive the Merger Consideration. For purposes of this Agreement, the "Merger Consideration" shall mean the sum equal to: (i) \$12.00, (ii) plus, the Interim Period Net Income (or minus, the Interim Period Net Loss) from January 1, 2018 to the Closing Date, (iii) minus, 0.735 multiplied by the Transaction Expenses, and (iv) minus, the quotient of the cash dividends paid or payable on the shares of PSB Preferred Stock from January 1, 2018 through the Closing Date, divided by 716,768. The Transaction Expenses shall be agreed upon by DBC and PSB prior to the Closing Date.

For purposes of this Section 3:

(a) "Business Day" means Monday through Friday of each week, except a legal holiday recognized as such by the U.S. Government or any day on which banking institutions in the State of Florida are authorized or obligated to close.

(b) "Closing Date" means the date of the closing of the transactions contemplated by this Plan of Merger.

(c) “Interim Period Net Income” means the quotient obtained by dividing (i) the net income of PSB computed in accordance with generally accepted accounting principles (“GAAP”) from January 1, 2018 to the last Business Day prior to the Closing Date, by (ii) 716,768.

(d) “Interim Period Net Loss” means the quotient obtained by dividing (i) the net loss of PSB computed in accordance with GAAP from January 1, 2018 to the last Business Day prior to the Closing Date, by (ii) 716,768.

(e) “Transaction Expenses” means (i) all legal and professional advisory fees incurred by PSB or its Subsidiary in connection with the Merger Agreement and the Merger, and their vendor termination and de-conversion fees (or, to the extent such fees have not been paid by PSB or its Subsidiary prior to the Closing, the estimated amount of such fees as is agreed upon by PSB and DBC prior to the Closing Date), and amounts payable to employees of PSB or its Subsidiary under any employment or change-in-control agreements (including those contemplated by Sections 5.10(f) and (h) of the Merger Agreement), divided by (ii) 716,768.

If the number of shares of PSB common stock issued and outstanding prior to the Effective Time shall be increased or decreased as a result of a stock split, stock combination, stock dividend, recapitalization or similar transaction, with respect to such stock, and the record date therefor shall be prior to the Effective Time, the Merger Consideration shall be proportionately adjusted as necessary to preserve the relative economic benefit to DBC and PSB.

#### SECTION 4 MISCELLANEOUS

4.1 Further Assurances. Each party to this Plan of Merger agrees to do such things as may be reasonably requested by the other party in order to more effectively consummate or document the transactions contemplated by this Plan of Merger.

[Signatures on Following Page]



**IN WITNESS WHEREOF**, the undersigned corporations have caused this Plan of Merger to be executed by their duly authorized officers as of the date first above written.

**PSB BANCGROUP, INC.**

By: /s/ Renny B. Eadie, III  
Renny B. Eadie, III  
President and Chief Executive Officer

**DRUMMOND BANKING COMPANY**

By: /s/ G. Luther Drummond  
G. Luther Drummond  
Chairman