

SENT BY: (904)359-2000

11-19-96 10:50AM :

F&L JACKSONVILLE-

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11/19/96

FLORIDA DIVISION OF CORPORATIONS
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((H96000016297 9)))

TO: DIVISION OF CORPORATIONS

FAX #: (904)922-4001

FROM: FOLEY & LARDNER

ACCT#: 072720000061

CONTACT: KAREN PETERSON

PHONE: (904)359-2000

FAX #: (904)359-8700

NAME: PERRY BANKING COMPANY

AUDIT NUMBER.....H96000016297

DOC TYPE.....FLORIDA PROFIT CORPORATION OR P.A.

CERT. OF STATUS..0

PAGES..... 6

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DEL.METHOD.. FAX

EST.CHARGE.. \$122.50

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*effective
11/14/96*

*Called Bruce Ricca
@ Banking - said ok
to file
affiliated with
Citizens Bank of Perry
Stela
11/26/96*

*11/19/96
TD*

796A - 52604

FILED
NOV 19 1996
F&L

Fax Audit No. H96000016297 9

*effective
11-14-96*

**ARTICLES OF INCORPORATION
OF
PERRY BANKING COMPANY**

The undersigned, for the purpose of forming a corporation for profit under the laws of Florida, adopts the following Articles of Incorporation.

ARTICLE 1

NAME AND ADDRESS

Section 1.1 Name. The name of the corporation is Perry Banking Company.

Section 1.2 Address of Principal Office. The address of the principal office of the corporation is 100 N. Orange Street, Perry, Florida 32347-2741.

Section 1.3 Mailing Address. The mailing address of the corporation is P.O. Box 1247, Perry, Florida 32348-1247.

ARTICLE 2

DURATION

Section 2.1 Duration. This corporation shall exist perpetually. Corporate existence shall commence on the date these Articles are executed, except that if they are not filed by the Department of State of Florida within five business days after they are executed, corporate existence shall commence upon filing by the Department of State.

ARTICLE 3

PURPOSES

Section 3.1 Purposes. This corporation is organized for the purposes of transacting any or all lawful business permitted under the laws of the United States and of the State of Florida.

Prepared by: Linda Y. Kaleo, Fla. Bar No. 298662
Foley & Lardner
200 Laura Street, Jacksonville, FL 32202
904/359-2000

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ARTICLE 4

CAPITAL

Section 4.1 **Authorized Capital.** The maximum number of shares of stock which this corporation is authorized to have outstanding at any one time is 100,000 shares of voting common stock having a par value of \$.01 per share.

ARTICLE 5

TRANSFER RESTRICTIONS ON STOCK

Section 5.1 **Transfer Restrictions.** The shares of stock of this corporation are subject to the following transfer restriction: No shareholder shall transfer, and no person shall acquire, actual, beneficial or constructive ownership of any shares of stock of this corporation if such transfer or acquisition would cause the termination of the corporation's status as an S Corporation, as defined in Section 1361 of the Internal Revenue Code of 1986, as amended. Certificates evidencing the shares will bear legends reflecting the transfer restrictions described herein.

Any transfer in violation of this Article 5 shall be void ab initio and the intended transferee shall acquire no rights in the stock of this corporation by means of the intended transfer. Any purported transferee of shares acquired in violation of this Section 5.1 shall be deemed to have acted as agent on behalf of this corporation in holding the shares and shall be deemed to hold such shares in trust on behalf of and for the benefit of this corporation. The intended transferee's sole right with respect to such shares shall be the remedies set forth in Section 5.2 below.

For purposes of this Article 5, the term "transfer" means the sale, transfer, assignment, pledge, gift, devise or other disposition of the shares, voluntarily or involuntarily, including transfers made by operation of law and including the granting of any option or entering into of any agreement for the sale, transfer or other disposition of the shares or the right to vote or receive dividends on the shares; and the term "person" means any natural person, firm, joint venture, partnership, association, corporation, trust, estate, unincorporated organization, public body, agency or political subdivision thereof, or any other similar entity.

Section 5.2 **Remedies for Transfers in Violation of Section 5.1.** Within six months after receiving notice of a transfer or acquisition that violates the transfer restrictions in Section 5.1, the board of directors of this corporation shall, in its sole and absolute discretion (subject to the requirements of Florida law applicable to redemptions), either (i) direct the intended transferee of such shares to sell all shares held in trust for this corporation for cash in such manner as the board of directors directs or (ii) redeem such shares for cash at a price equal to the lower of (x) the price paid by the transferee from whom shares are being redeemed and (y) the price determined in good faith by the board of directors of this corporation as the fair market value of such stock on the relevant date. If the board of directors of this corporation directs the

holder to sell the shares, the holder shall receive such proceeds as the trustee for this corporation and pay the corporation out of the proceeds of such sale (A) all expenses incurred by this corporation in connection with such sale, plus (B) any remaining amount of such proceeds that exceeds the amount paid by the holder for the shares, and the holder shall be entitled to retain only the amount of such proceeds in excess of the amount required to be paid to this corporation.

Section 5.3 Notice of Restricted Transfer. Any person who transfers or attempts or intends to transfer or who acquires or attempts or intends to acquire shares in violation of this Article 5 shall immediately give written notice to this corporation of such event and shall provide to this corporation such other information as this corporation may request in order to determine the effect, if any, of such transfer, attempted transfer or intended transfer, on this corporation's status as an S Corporation.

ARTICLE 6

INITIAL REGISTERED OFFICE AND AGENT

Section 6.1 Name and Address. The street address of the initial registered office of this corporation is 100 N. Orange Avenue, Perry, Florida 32347-2741, and the name of the initial registered agent of this corporation at that address is Jerry D. Dickert.

ARTICLE 7

DIRECTORS

Section 7.1 Number. This corporation shall have six (6) director(s) initially. The number of directors may be increased or diminished from time to time pursuant to the bylaws, but shall never be less than one.

Section 7.2 Initial Directors. The name and address of the members of the first board of directors of the corporation are:

NAME

ADDRESS

Jerry D. Dickert

100 N. Orange Street
Perry, Florida 32347-2741

A. Marshall Hicks

100 N. Orange Street
Perry, Florida 32347-2741

Mark Dickert

100 N. Orange Street
Perry, Florida 32347-2741

Paul Dickert	100 N. Orange Street Perry, Florida 32347-2741
Fred Mitchell, Sr.	100 N. Orange Street Perry, Florida 32347-2741
Roger Brooks	100 N. Orange Street Perry, Florida 32347-2741

ARTICLE 8

BYLAWS

Section 8.1 **Bylaws.** The initial bylaws of this corporation shall be adopted by the board of directors. Bylaws may be amended or repealed from time to time by either the board of directors or the shareholders, but the board of directors shall not alter, amend or repeal any bylaw adopted by the shareholders if the shareholders specifically provide that such bylaw is not subject to amendment or repeal by the board of directors.

ARTICLE 9

INCORPORATOR

Section 9.1 **Name and Address.** The name and street address of the incorporator of this corporation is:

<u>NAME</u>	<u>ADDRESS</u>
Jerry D. Dickert	100 N. Orange Street Perry, FL 32347-2741

ARTICLE 10

INDEMNIFICATION

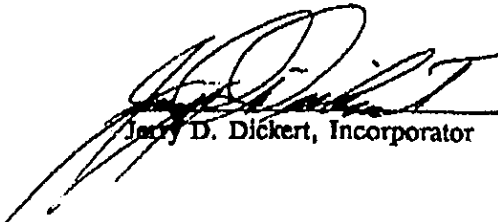
Section 10.1 **Indemnification.** The board of directors is hereby specifically authorized to make provision for indemnification of directors, officers, employees and agents to the full extent permitted by law.

ARTICLE 11

AMENDMENT

Section 11.1 **Amendment.** This corporation reserves the right to amend or repeal any provision contained in these Articles of Incorporation, and any right conferred upon the shareholders is subject to this reservation.

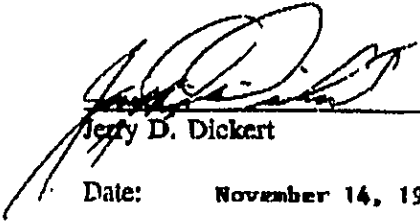
IN WITNESS WHEREOF, the incorporator has executed these Articles on November 14, 1996.



Jerry D. Dickert, Incorporator

ACCEPTANCE BY REGISTERED AGENT

Having been named to accept service of process for the above stated corporation, at the place designated in the above Articles of Incorporation, I hereby agree to act in this capacity, and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties. I am familiar with and I accept the obligations of a registered agent.



Jerry D. Dickert

Date: November 14, 1996

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96 NOV 19 PM 12:36
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

SENT BY:(904)359-2000

: 1- 2-97 :11:44AM :

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1/02/97

FLORIDA DIVISION OF CORPORATIONS
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11:36 AM

((H9700000049 1)))

TO: DIVISION OF CORPORATIONS

FAX #: (904)922-4000

FROM: FOLEY & LARDNER

ACCT#: 072720000061

CONTACT: KAREN PETERSON

PHONE: (904)359-2000

FAX #: (904)359-8700

NAME: PERRY BANKING COMPANY

AUDIT NUMBER.....H9700000049

DOC TYPE.....MERGER OR SHARE EXCHANGE

CERT. OF STATUS..0

PAGES..... 6

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*C. Perry sheet
Linda*

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97 JAN -2 PM 2:53
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Fax Audit No. H96000000049 1

ARTICLES OF SHARE EXCHANGE
for
PERRY BANKING COMPANY
and
THE CITIZENS BANK OF PERRY

Perry Banking Company, a valid and legally formed Florida corporation (the "Acquiring Corporation"), and The Citizens Bank of Perry, a valid and legally formed Florida banking corporation (the "Bank"), each having adopted an Agreement and Plan of Share Exchange (the "Plan of Share Exchange"), hereby submit these Articles of Share Exchange pursuant to Section 607.1105 of the Florida Business Corporation Act:

1. The Plan of Share Exchange is attached hereto as Exhibit A.
2. The effective date of the Share Exchange shall be January 1, 1997 or the date of filing these Articles of Share Exchange with the Secretary of State of Florida, whichever is later.
3. The shareholders of the Acquiring Corporation approved the Plan of Share Exchange on November 14, 1996, by unanimous written consent.
4. The shareholders of the Bank approved the Plan of Share Exchange on December 26, 1996, by a majority of all the votes entitled to be cast on the plan. ✓

IN WITNESS WHEREOF, these Articles of Share Exchange have been executed by the Acquiring Corporation and the Bank this second day of January, 1997.

PERRY BANKING COMPANY,
the Acquiring Corporation

By [Signature]
Roger Brooks, President

THE CITIZENS BANK OF PERRY,
the Bank

By [Signature]
Roger Brooks, President

FILED
JAN - 2 PM 2:53
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

DOCSPPWRY4182.1/080648/0101/JAXA13/JMMO=1/12/97 2:48pm

Prepared by:
Jeffrey M. McFarland
Fla. Bar. No.: 61999
Foley & Lardner
200 Laura St., Jacksonville, FL 32202
(904) 359-2000

Fax Audit No. H96000000049 1

EXHIBIT A

Fax Audit No. H96000000049 1

AGREEMENT AND PLAN OF SHARE EXCHANGE

PERRY BANKING COMPANY (the "Acquiring Corporation"), a Florida corporation, and THE CITIZENS BANK OF PERRY (the "Bank"), a Florida banking corporation, enter into the following Agreement and Plan of Share Exchange (the "Plan") pursuant to Section 607.1102, Florida Statutes:

WHEREAS, the Bank desires to form a one-bank holding company and the Acquiring Corporation has been incorporated to serve as said holding company for the Bank;

WHEREAS, to accomplish the formation of a one-bank holding company, the Bank and the Acquiring Corporation have determined to effect a share exchange under Section 607.1102, Florida Statutes (the "Share Exchange");

WHEREAS, the Bank and the Acquiring Corporation intend the Share Exchange to qualify as a tax-free reorganization under Section 368(a)(1)(B) and Section 351(a) of the Internal Revenue Code of 1986, as amended;

WHEREAS, this Plan sets forth the terms and conditions of the Share Exchange and the manner and basis of exchanging shares; and

WHEREAS, the board of directors of each of the Bank and the Acquiring Corporation have approved this Plan and have directed that this Plan be submitted to the shareholders of the respective corporations for their approval and adoption in accordance with Section 607.1103, Florida Statutes;

NOW THEREFORE, in consideration of the mutual covenants, agreements, representations and warranties contained herein, the Bank and the Acquiring Corporation hereby agree as follows:

1. **Effective Date.** The effective date of the Share Exchange shall be January 1, 1997 or the date of filing of the Articles of Share Exchange with the Secretary of State of Florida, whichever is later (the "Effective Date").

2. **Share Exchange.** On the Effective Date, the Acquiring Corporation will acquire all of the issued and outstanding capital stock of the Bank. Simultaneously, the Acquiring Corporation will issue to each shareholder of the Bank that number of shares of common stock of the Acquiring Corporation as is equal to the number of shares of common stock of the Bank acquired by the Acquiring Corporation from such shareholder.

Notwithstanding anything in this Agreement to the contrary, shareholders who exercise dissenters' rights pursuant to Sections 607.1301, 607.1302 and 607.1320, Florida Statutes, shall be entitled only to receive the fair value of their shares as prescribed in such statutes. Shares subject to dissenters' rights shall not be exchanged for common stock of the Acquiring Corporation.

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3. Delivery of Certificates. As soon as practicable after the Effective Date and upon surrender by the Bank's shareholders of the certificates representing the common stock thereof, the Acquiring Corporation shall deliver to the Bank's shareholders certificates for the number of shares of common stock of the Acquiring Corporation to which they are entitled under this Plan. Until so surrendered, each outstanding certificate representing the common stock of the Bank shall be deemed for all purposes to evidence ownership of the respective shares of the Acquiring Corporation to which they are entitled.

4. Transfer Restrictions. The shares issued by the Acquiring Corporation pursuant to this Plan are subject to the transfer restrictions set forth in Article 5 of the Acquiring Corporation's Articles of Incorporation for the purpose of maintaining the Acquiring Corporation's status as an S corporation, as defined in Section 1361 of the Internal Revenue Code of 1986, as amended. The certificates evidencing such shares will bear legends reflecting the transfer restrictions described herein.

The shareholders of the Bank, upon approval of this Plan in accordance with Florida law, will be deemed to have acknowledged and accepted the transfer restrictions described above. A copy of Article 5 of the Articles of Incorporation of the Acquiring Corporation will be furnished by the Acquiring Corporation to any shareholder upon request.

5. Additional Covenants of the Bank and the Acquiring Corporation.

a. The Bank and the Acquiring Corporation each shall take all necessary and appropriate action to comply with applicable laws of the State of Florida to accomplish the Share Exchange, including the submission of this Plan to the shareholders of each corporation for their approval, which approval each corporation shall use its best efforts to obtain.

b. The Bank and the Acquiring Corporation each shall take all necessary and appropriate action to comply with applicable laws, rules and regulations of regulatory authorities in connection with the formation of a one-bank holding company, including the laws, rules and regulations of the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation and all state regulatory agencies having jurisdiction over the Bank and the Acquiring Corporation, including the Florida Department of Banking and Finance.

6. Representations and Warranties of the Bank. The Bank hereby represents and warrants to the Acquiring Corporation as follows:

a. That the Bank is a banking corporation duly organized, validly existing and in good standing under the laws of the State of Florida, and has full power and authority to carry on its business as it is now being conducted.

b. The authorized capitalization of the Bank is 18,000 shares of common stock, par value \$10 per share, of which 17,300 shares are presently outstanding. All of the issued and outstanding shares of the Bank have been validly issued, fully paid and nonassessable.

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There are no outstanding options, warrants, commitments, or other rights or instruments to purchase or acquire any shares of capital stock of the Bank, or any securities or rights convertible into or exchangeable for shares of capital stock of the Bank.

c. The Bank has full corporate power and authority to execute and deliver this Plan and, subject to the approval of the shareholders of the Bank and any regulatory approvals or consents, to consummate the transactions contemplated hereby.

d. None of the information relating to the Bank to be included in the Proxy Statement which is to be mailed to the shareholders of the Bank in connection with the solicitation of their approval of this Plan will, at the time such Proxy Statement is mailed or at the time of the meeting of shareholders to which such Proxy Statement relates, be false or misleading with respect to any material fact, or omit to state any material fact, necessary in order to make a statement therein not false or misleading.

7. Representations and Warranties of the Acquiring Corporation. The Acquiring Corporation hereby represents and warrants to the Bank as follows:

a. That the Acquiring Corporation is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida, and has full corporate power and authority to carry on its business as it is now being conducted.

b. The authorized capitalization of the Acquiring Corporation is 100,000 shares of common stock, par value \$.01 per share, of which 1 share is presently outstanding. The issued and outstanding share of the Acquiring Corporation has been validly issued, fully paid and nonassessable. There are no outstanding options, warrants, commitments, or other rights or instruments to purchase or acquire any shares of capital stock of the Acquiring Corporation, or any securities or rights convertible into or exchangeable for shares of capital stock of the Acquiring Corporation.

c. The Acquiring Corporation has full corporate power and authority to execute and deliver this Plan and, subject to the approval of the shareholders of the Acquiring Corporation and any regulatory approvals or consents, to consummate the transactions contemplated hereby.

d. None of the information relating solely to the Acquiring Corporation to be included in the Proxy Statement which is to be mailed to the shareholders of the Bank in connection with the solicitation of their approval of this Plan will, at the time such Proxy Statement is mailed or at the time of the meeting of shareholders to which such Proxy Statement relates, be false or misleading with respect to any material fact, or omit to state any material fact, necessary in order to make a statement therein not false or misleading.

8. Conditions. The consummation of the Share Exchange is subject to the fulfillment, or waiver, prior to or at the Effective Date, of each of the following conditions:

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a. All corporate and regulatory approvals relating to the Share Exchange and the creation of a one-bank holding company shall have been received by the Bank and the Acquiring Corporation, as appropriate.

b. Not more than 5% (865 shares) of the Bank's stock is required by Florida law to be purchased from shareholders of the Bank who have properly exercised dissenters' rights pursuant to Sections 607.1301, 607.1302 and 607.1320, Florida Statutes.

c. The representations, warranties and agreements of the Bank and the Acquiring Corporation contained in this Plan shall be true and correct in all respects as of the Effective Date.

9. Termination and Abandonment. Anything in this Plan notwithstanding, the Share Exchange may be terminated and abandoned at any time prior to the filing of the Articles of Share Exchange if the board of directors of either the Bank or the Acquiring Corporation so determine, and no shareholder approval shall be required for the Share Exchange to be so terminated and abandoned.

10. Amendment of Plan. Except as provided in Section 607.1103(8), Florida Statutes, this Plan may be amended by the board of directors of the Bank and the Acquiring Corporation at any time prior to the filing of the Articles of Share Exchange, without shareholder approval.

11. Integration. This Plan embodies the entire agreement between the Bank and the Acquiring Corporation. There have been no agreements, covenants, representations or warranties other than those expressly provided for herein.

12. Severability. If any provision of this Plan, or the application of a provision to any person or circumstance, is held invalid, the remainder of this Plan, or the application of such provision to persons or circumstances other than those to which it is held invalid, will not be affected thereby.

SENT BY: (904)359-2000

: 1- 2-97 :11:50AM :

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13. Governing Law. This Plan will be governed and construed and enforced in accordance with the laws of the State of Florida without regard to conflict of law principles thereunder.

IN WITNESS WHEREOF, this Plan has been duly adopted and agreed to by the authorized officers of the Bank and the Acquiring Corporation as of the 14 day of November, 1996.

PERRY BANKING COMPANY,
the Acquiring Corporation

By: [Signature]

Roger Brooks, President/CEO

THE CITIZENS BANK OF PERRY,
the Bank

By: [Signature]

Roger Brooks, President/CEO