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Inter-Office
Communication



Comptroller of Florida
Division of Banking

DATE: October 23, 1997

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

FROM: Bruce Ricca, Licensing and Chartering *BR*

SUBJ: Keys Bank Interim Bank, Key West, Monroe County

Please file the attached Articles of Incorporation for the above-referenced institution, using OCTOBER 24, 1997, as the effective date.

Please make the following distribution of certified copies:

- (1) Mail one (1) copy to: Division of Banking
Office of Licensing and Chartering
Fletcher Building, Suite 636
- (2) Mail one (1) copy to: Mr. Daniel E. Lee, Jr.
First State Bank of the Florida Keys
1201 Simonton Street
Key West, Florida 33040

FILED
97 OCT 24 AM 11:20
STATE
TALLAHASSEE, FLORIDA

Also attached is a check which represents payment of the filing fees, charter tax and certified copies. If you have any questions, please call 414-8066.

BR.a:succ-art

Attachments

Dmc
10.24.97

35.00 F.F.
105.00 C.C (2)
140.00

ARTICLES OF INCORPORATION
OF
KEYS BANK INTERIM BANK

FILED
97 OCT 24 AM 11:20
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The undersigned hereby associate themselves together for the purpose of forming a corporation under and by virtue of the Laws of the State of Florida, with and under the following Articles of Incorporation.

ARTICLE I

The name of the Corporation shall be Keys Bank Interim Bank and its initial place of business shall be 1201 Simonton Street in the City of Key West, in the County of Monroe, and the State of Florida.

ARTICLE II

The general nature of the business to be transacted by the Corporation shall be: That of a general banking business with all of the rights powers and privileges granted and conferred by the banking laws of the State of Florida, regulating the organization, powers and management of banking corporations.

ARTICLE III

The authorized capital stock of the Corporation shall be Eight Hundred Ninety-Eight Thousand Five Hundred Dollars (\$898,500.00) of common stock to be divided into Forty-Four Thousand Nine Hundred Twenty-Five (44,925) shares of the par value of Twenty Dollars (\$20.00) each.

ARTICLE IV

The Corporation shall have perpetual existence.

ARTICLE V

The business and affairs of the Corporation shall be managed and conducted by: (i) a Board of not less than five nor more than twenty-five Directors who shall be elected annually by the stockholders at their annual meeting to be held at its place of business in the City of Key West in the County of Monroe and State of Florida during the month of January of each year after the

Corporation shall be fully authorized to commence business; provided, however, that if so authorized by a majority of the stockholders by appropriate action of the stockholders at the next preceding annual meeting, a majority of the full Board of Directors may, at any time during the year following the annual meeting of stockholders in which such action has been authorized, increase the number of Directors within the limits specified above, and appoint persons to fill the resulting vacancies, provided further that in any one year not more than two such additional Directors shall be authorized pursuant to this provision; and (ii) by a President, who shall be a Director, and one or more Vice-Presidents and a Cashier and such other officers as may be designated in the by-laws of the Corporation, who shall be elected by the Board of Directors, at the same place, on the same day and immediately after said Board of Directors shall be elected by the stockholders; provided that the offices of Vice President and Cashier may be combined in one and the same person.

ARTICLE VI

Until the Directors elected at the first annual meeting of the stockholders and the officers elected at the first annual meeting of the Directors shall be qualified, the business of the Corporation shall be conducted by the following named Directors:

<u>Name</u>	<u>Post Office Address</u>
Joseph B. Allen, Jr.	813 Waddell Avenue Key West, FL 33040
Gregory D. Artman	1547 5 th Street Key West, FL 33040
Dr. Frank V. Bervaldi	3406 Rivera Drive Key West, FL 33040
Gary Blum	1111 Johnson Street Key West, FL 33040
William O. Kemp	P.O. Box 1529 Key West, FL 33041
Daniel E. Lee, Jr.	12 Azalea Dr. Key West, FL 33040
Jerry Luptak	60 Tannancour Pl. Grosspoint Farms, MI 48236

John M. Spottswood, Jr.

522 Caroline Street
Key West, FL 33040

Robert A. Spottswood

532 Caroline Street
Key West, FL 33040

Norman B. Wood.

1021 Washington Street
Key West, FL 33040

Carl R. Zwerner

431 So. Surf Rd.
Hollywood, FL 33019

and by the following officers:

<u>Name</u>	<u>Office</u>	<u>Post Office Address</u>
John M. Spottswood, Jr.	Chairman of the Board	522 Caroline Street Key West, FL 33040
Daniel E. Lee, Jr.	President and Chief Executive Officer	12 Azalea Drive Key West, FL 33040
Diego L. Caso	Senior Vice President Cashier/Security Officer	2518 Flagler Avenue Key West, FL 33040
Kurt Lewin	Senior Vice President and Senior Loan Officer	404 White Street Key West, FL 33040
Karen M. Sharp	Senior Vice President and Chief Financial Officer	P.O. Box 719 Summerland Key, FL 33042
Bette Brown-Herlth	Senior Vice President Regional Manager-Upper Keys	37 Mutiny Place Key Largo, FL 33037
Doria Fernandez	Vice President Branch Manager of Main Branch	3716 Northside Drive Key West, FL 33040

ARTICLE VII

1. Certain Definitions. For purposes of this Article VII:

a. "Affiliate" means, when used in reference to any Person, any Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with such Person.

b. "Associate" means, when used in reference to any Person, (1) any corporation or organization of which such Person is an officer or partner or is, directly or indirectly, the beneficial owner of 10 percent or more of any class of equity securities, (2) any trust or other estate in which such Person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity and (3) any relative or spouse of such Person, or any relative of such spouse, who has the same home as such Person.

c. "Capital Stock" means the capital stock of the Corporation.

d. "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

e. "Disqualified Person" means any Person which is not permitted to be a stockholder of a "small business corporation" pursuant to the provisions of 26 U.S.C. §1361(b)(1)(B) or (C), as amended, or by any successor provision.

f. "Disqualifying Transfer" means any transfer (whether by operation of law or otherwise) of any shares of the Capital Stock, the result of which would cause the Corporation to have more than the maximum number of stockholders permitted for an S Corporation.

g. "Person" means any natural person, corporation, unincorporated organization, limited liability company, partnership, association, joint stock company, joint venture, trust or government, or any agency or political subdivision of any government, or any other entity.

h. "Redemption Date" means (i) with respect to a redemption of shares of Capital Stock from a Disqualified Person the date immediately prior to the date on which such Person became a Disqualified Person and (ii) with respect to shares of Capital Stock which are the subject of a proposed Disqualifying Transfer, the date fixed by action of the Board of Directors for the redemption of any shares of the Capital Stock pursuant to paragraph 7 of this Article VII.

i. "S Corporation" means a corporation which is an "S corporation" (as defined in 26 U.S.C. § 1361(a)(1), as amended, or in any successor provision).

j. "S Election" means the written consent of a stockholder of the Corporation to the Corporation making the election provided for under 26 U.S.C. §1362(a), as amended, or under any successor provision.

2. General. Consistent with 26 U.S.C. § 1361 et. seq., as amended, or any successor provision, and to prevent the loss by the Corporation of its status as an S Corporation, it is the policy of the Corporation that, subject to the provisions of this Article VII, no Person shall be permitted to hold, own, acquire or transfer any shares of the Capital Stock if, as a result thereof, the Corporation would fail to qualify as an S Corporation.

3. Effectiveness. The limitations of the rights of holders of shares of the Capital Stock provided for in this Article VII shall be effective notwithstanding any other provision of these Articles of Incorporation to the contrary but only for so long as the Corporation (a) is qualified as an S Corporation or (b) if not then qualified as an S Corporation, intends to reinstate its qualification as an S Corporation within a reasonable time after ceasing to be so qualified.

4. Disqualified Persons. A Disqualified Person may not hold shares of Capital Stock. An acquisition or purported acquisition of shares of Capital Stock by a Disqualified Person shall be void ab initio to the fullest extent permitted under applicable law, and the intended transferee of the subject shares of Capital Stock shall be deemed never to have had an interest therein.

In the event that any holder of shares of Capital Stock becomes a Disqualified Person, such Disqualified Person shall be deemed immediately prior to the event that results in such holder becoming a Disqualified Person to hold such shares as agent for, and in trust for the benefit of, the Corporation and subject to the right of redemption in favor of the Corporation set forth in paragraph 7 of this Article VII.

5. Disqualifying Transfers. If at any time a Disqualifying Transfer shall be proposed, the Board of Directors shall have the right, but shall not be required, to refuse to transfer any shares of the Capital Stock purportedly transferred pursuant to the Disqualifying Transfer for a period not to exceed 180 days following the date on which such shares shall be presented to the Corporation for transfer. During such 180-day period, the Corporation shall use its reasonable best efforts to obtain all necessary approvals, waivers and authorizations of, and to make all necessary filings and registrations with, and notifications to, all applicable governmental authorities to permit the Corporation to redeem such shares of Capital Stock. During such 180-day period, the Corporation shall be permitted to treat the record holder of the shares of the Capital Stock, as shown on the record books of the Corporation, as the true owner of such shares for all purposes, and the Board of Directors shall have the right, in its sole discretion, but shall not be required to, redeem the shares which are the subject of the proposed Disqualifying Transfer pursuant to the provisions of paragraph 7 of this Article VII. If any approval, waiver or authorization of any applicable governmental authorities shall not be obtained (other than as a result of the fault of the stockholder who shall have proposed the Disqualifying Transfer or any Affiliate thereof), then the Corporation shall have the right for a period of an additional 90 days from the date on which the Corporation is notified that such approval, waiver or authorization shall not be obtained to use its reasonable best efforts to assign the right of redemption provided for hereunder to a third party whose purchase of such shares of Capital Stock would not result in a Disqualifying Transfer, and shall be permitted to treat the record holder of the shares of the

Capital Stock, as shown on the record books of the Corporation, as the true owner of such shares for all purposes. If the Corporation shall not exercise its right of redemption, or otherwise cause such shares to be purchased in a manner which would not constitute a Disqualifying Transfer, within such additional 90-day period (other than as a result of the fault of the stockholder who shall have proposed the Disqualifying Transfer or any Affiliate thereof), then the Corporation shall, as promptly thereafter as practicable, permit the transfer of such shares of the Capital Stock, and the Disqualifying Transfer shall be deemed to have been effected at the end of such additional 90-day period.

6. Ownership Inquiry.

a. Whenever it is deemed by the Board of Directors, in their sole discretion, to be prudent to prevent the Corporation from failing to qualify or to continue qualification as an S Corporation, the Corporation may by notice in writing (which may be included in the form of proxy or ballot distributed to stockholders of the Corporation in connection with any annual or special meeting of the stockholders of the Corporation, or otherwise) require a Person that is a holder of record of shares of the Capital Stock or that the Corporation knows to have, or has reasonable cause to believe has, beneficial ownership of shares of the Capital Stock to certify to the Corporation in such manner as the Corporation shall deem appropriate (including by way of execution of any form of proxy, ballot or affidavit by such person) that, to the knowledge of such person all shares of the Capital Stock as to which such person has record ownership or beneficial ownership are owned and controlled only by Persons who are not Disqualified Persons.

b. With respect to any Capital Stock identified by such person in response to subsection (a) of this paragraph 6, the Corporation may require such person to provide such further information as the Corporation may reasonably require to implement the provisions of this Article VII.

c. For purposes of applying the provisions of this Article VII with respect to any shares of the Capital Stock, in the event of the failure of any Person to provide the certificate or other information to which the Corporation is entitled pursuant to this paragraph 6, the Corporation may presume that the shares of Capital Stock in question are beneficially owned or controlled by Disqualified Persons.

d. The Board of Directors shall have the right, but shall not be required, to refuse to transfer any shares of the Capital Stock purportedly transferred if a statement or affidavit requested pursuant to this paragraph 6 of this Article VII has not been received.

7. Redemption: Governmental Authorization. Notwithstanding any other provision of these Articles of Incorporation to the contrary, the Corporation may redeem those shares of the Capital Stock from a Disqualified Person pursuant to paragraph 4 of this Article VII or which are the subject of a proposed Disqualifying Transfer, pursuant to the Florida Business Corporation Act, the Florida Banking Code, or any other applicable provision of law, to the extent determined by

the Board of Directors, in its sole discretion, to be necessary to preserve the Corporation's status as an S Corporation. The terms and conditions of such redemption shall be as follows:

a. The redemption price of the shares to be redeemed pursuant to this Article VII shall be equal to the lower of (i) the book value of the shares, on a fully diluted basis, to be redeemed as reflected on the financial statements of the Corporation for the most recently completed fiscal quarter or, (ii) if applicable, the sales price offered to the stockholder in the proposed Disqualifying Transfer, provided such offer is made in good faith, in an arm's length, non-collusive manner by a Person who is not related to or an Affiliate or Associate of the offeree stockholder.

b. If less than all the shares are to be redeemed from a Disqualified Person, or if less than all the shares which are the subject of a Disqualifying Transfer, are to be redeemed, the shares to be redeemed shall be selected in any manner determined by the Board of Directors, in their sole discretion, to be fair and equitable.

c. From and after the Redemption Date, shares to be redeemed shall cease to be regarded as outstanding and any and all rights attaching to such shares of whatever nature (including without limitation any rights to vote or participate in dividends or other distributions declared on stock of the same class or series as such shares) shall cease and terminate, and the holders thereof thenceforth shall be entitled only to receive the cash payable upon redemption.

The foregoing notwithstanding, the Corporation shall be permitted to redeem shares of the Capital Stock pursuant to the provisions of this paragraph 7 of this Article VII only if all necessary approvals, waivers and authorizations of, filings and registrations with, and notifications to, all applicable governmental authorities shall have been obtained or made and shall be in full force and effect and all applicable waiting periods shall have expired. In the event that any such approval, waiver or authorization shall not have been obtained, the Corporation shall have the right to assign the right of redemption provided for in this paragraph 7 of this Article VII to any Person or Persons who in its reasonable judgment are not Disqualified Persons, and such Person shall thereafter have the right to acquire such shares of the Capital Stock on the same terms as the Corporation, provided that the transfer of such shares to such assignee would not result in a Disqualifying Transfer.

8. S Elections. Notwithstanding anything in these Articles of Incorporation to the contrary, the Board of Directors shall have the right, but shall not be required, to refuse to transfer any shares of the Capital Stock purportedly transferred if the proposed transferee shall refuse to deliver to the Corporation a duly and validly executed consent to be bound by the restrictions on transfer of Capital Stock set forth in these Articles of Incorporation, as amended from time to time.

9. Bylaws. The Bylaws of the Corporation may make appropriate provisions to effectuate the requirements of this Article VII.

10. Factual Determinations. The Board of Directors shall have the power to construe and apply the provisions of this Article VII and to make all determinations necessary or desirable to implement such provisions, including but not limited to whether (a) the number of shares of voting stock that are beneficially owned by any Person; (b) whether a Person is an Affiliate or Associate of another person; (c) whether a Person has an agreement, arrangement or understanding with another Person as to matters bearing on beneficial ownership; (d) whether a Person is a Disqualified Person; (e) whether a transfer is a Disqualifying Transfer; (f) the application of any other definition of these Articles of Incorporation to a given fact; (g) book value of the shares of the Capital Stock; and (h) any other matter relating to the applicability or effect of this Article VII.

11. Restrictive Legend. In furtherance of the foregoing provisions of this Article VII, the Corporation shall be entitled to place on every certificate representing shares of the Capital Stock a legend which shall state that such shares are restricted as to transfer and shall set forth or fairly summarize such restrictions upon the certificates or shall state that the Corporation will furnish to any stockholder upon request and without charge a full statement of such restrictions.

12. Quorum. Shares of Capital Stock held by a Disqualified Person as agent and trustee pursuant to paragraph 4 of this Article VII shall not be counted for purposes of determining whether a quorum is present at any meeting of the stockholders of the Corporation or whether any requirement for stockholders has been satisfied.

13. Severability. If any paragraph or provision of this Article VII is determined to be invalid, void, illegal or unenforceable to any extent, then the remainder of such paragraph or provision and the remaining sections and provisions of this Article VII shall continue to be valid and enforceable and shall in no way be affected, impaired or invalidated by such invalidity, voidness, illegality or unenforceability.

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IN WITNESS OF THE FOREGOING, the undersigned have
executed these Articles of Incorporation as of Sept. 26, 1997
1997.

Name

Post Office Address

Joseph B. Allen, Jr.
Joseph B. Allen, Jr.

813 Waddle Avenue
Key West, FL 33040

Dr. Frank V. Bervaldi
Dr. Frank V. Bervaldi

3406 Riviera Dr.
Key West, FL 33040

John M. Spottiswood, Jr.
John M. Spottiswood, Jr.

522 Caroline Street
Key West, FL 33040

Norman B. Wood
Norman B. Wood

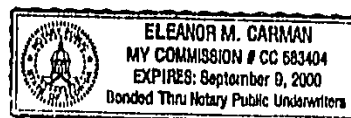
1021 Washington St.
Key West, FL 33040

STATE OF Florida)
COUNTY OF MONROE) ss

The foregoing instrument was acknowledged before me this 26
day of September, 1997, by ALL THE ABOVE who is
personally known to me or who has produced _____
as identification and who did/did not take an oath.

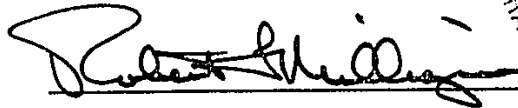
(SEAL)

Eleanor M. Carman
Notary Public - State of Florida
My Commission Expires: 9-9-2000



Approved by the Department of Banking and Finance this 8TH day of October, 1997.

Tallahassee, Florida



Comptroller of the State of Florida and Head of the
Department of Banking and Finance

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FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA