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~~*****250.00 *****350.00~~

FILED
98 JAN 13 PM 1:59
SECRETARY OF STATE
TALLAHASSEE, FLORIDA



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

RECEIVED
98 JAN 13 AM 10:04
DIVISION OF CORPORATION

January 9, 1998

CT CORPORATION SYSTEM
660 E JEFFERSON STREET
TALLAHASSEE, FL 32301

SUBJECT: FIDELITY CAPITAL TRUST I
Ref. Number: W98000000550

We have received your document for FIDELITY CAPITAL TRUST I and check(s) totaling \$350.00. However, your check(s) and document are being returned for the following:

YOU MUST SUBMIT A COPY OF THE DECLARATION OF TRUST ATTACHED TO THE AFFIDAVIT.

Please return the original and one copy of your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 487-6932.

* Kimberly Rolfe
Document Specialist

Letter Number: 498A00001254

You have declaration. Thank you!

[Signature]

AFFIDAVIT TO THE SECRETARY OF STATE OF FLORIDA
TO FILE OR QUALIFY

FIDELITY CAPITAL TRUST I

A DELAWARE TRUST

In accordance with Section 609.02 of the Florida Statutes, pertaining to Common Law Declarations of Trust, the undersigned, the Chairman of the Board of Trustees of Fidelity Capital Trust I,

(Name of Trust)

a Delaware Trust hereby affirms in order to file or qualify

(State)

Fidelity Capital Trust I, in the State of Florida.

(Name of Trust)

1. Two or more persons are named in the Trust.

2. The principal address is 218 Datura Street

West Palm Beach, Florida 33401

3. The registered agent and office in the State of Florida is:

Vince A. Elhilow, President and Chief Executive Officer, Fidelity Capital

Trust I, 218 Datura Street, West Palm Beach, Florida 33401

4. Acceptance by the registered agent: Having been named as registered agent to accept service of process for the above named Declaration of Trust at the place designated in this affidavit, I hereby accept the appointment as registered agent and agree to act in this capacity.

Vince A. Elhilow
(Signature of Registered Agent)

5. I certify that the attached is a true and correct copy of the Declaration of Trust under which the association proposes to conduct its business in Florida.

Vince A. Elhilow
Name: Vince A. Elhilow
Chairman of the Board of Trustees

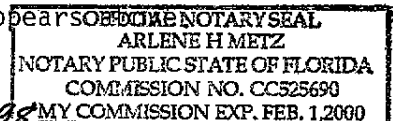
NOTARY

Vince A. Elhilow appeared before me and his signature appears on the Declaration of Trust. He is known to me.

STATE OF FLORIDA/PALM BEACH COUNTY

Arlene H. Metz

Date Jan/7/1998
January 7, 1998



**TRUST AGREEMENT
OF
FIDELITY CAPITAL TRUST I**

THIS TRUST AGREEMENT, dated as of December 10, 1997, is made among Fidelity Bankshares, Inc., a Delaware corporation, as "Depositor," Vince A. Elhilow, Richard D. Aldred, and Christopher H. Cook as "Administrative Trustees," The Bank of New York as "Property Trustee" and The Bank of New York (Delaware) as "Delaware Trustee" (the Delaware Trustee, the Property Trustee and the Administrative Trustees together, the "Trustees"). The Depositor and the Trustees hereby agree as follows:

1. The trust created hereby shall be known as "Fidelity Capital Trust I" (the "Trust"), in which name the Trustees or the Depositor, to the extent provided herein, may conduct the business of the Trust, make and execute contracts, and sue and be sued.

2. The Depositor hereby assigns, transfers, conveys and sets over to the Trust the sum of \$10. It is the intention of the parties hereto that the Trust created hereby constitute a business trust under Chapter 38 of Title 12 of the Delaware Code, 12 Del. C. § 3801, et seq. (the "Business Trust Act"), and that this document constitute the governing instrument of the Trust. The Trustees are hereby authorized and directed to execute and file a certificate of trust with the Delaware Secretary of State in such form as the Trustees may approve.

3. An amended and restated Trust Agreement satisfactory to each party to it and substantially in the form to be included as an exhibit to the Registration Statement (the "1933 Act Registration Statement") referred to below, or in such other form as the parties thereto may approve, will be entered into to provide for the contemplated operation of the Trust created hereby and the issuance of the Preferred or Capital Securities and Common Securities referred to therein. Prior to the execution and delivery of such amended and restated Trust Agreement, the Trustees shall not have any duty or obligation hereunder or with respect of the trust estate, except as otherwise required by applicable law or as may be necessary to obtain prior to such execution and delivery any licenses, consents or approvals required by applicable law or otherwise. Notwithstanding the foregoing, the Trustees may take all actions deemed proper as are necessary to effect the transactions contemplated herein.

4. The Depositor, as the Depositor of the Trust, is hereby authorized (i) to file with the Securities and Exchange Commission (the "Commission") and to execute, in the case of the 1933 Act Registration Statement and 1934 Act Registration Statement (as herein defined), on behalf of the Trust, (a) the 1933 Act Registration Statement, including pre-effective or post-effective amendments to such Registration Statement, relating to the registration under the Securities Act of 1933, as amended (the "1933 Act"), of the Preferred or Capital Securities of the Trust, (b) any preliminary prospectus or prospectus or supplement thereto relating to the Capital or Preferred Securities required to be filed pursuant to the 1933 Act, and (c) a Registration Statement on Form 8-A or other appropriate form (the "1934 Act Registration Statement") (including all pre-effective and post-effective amendments thereto) relating to the registration of the Preferred or Capital Securities of the Trust under the Securities Exchange Act of 1934, as amended; (ii) to file with the

Nasdaq Stock Market or other exchange, and execute on behalf of the Trust a listing application and all other applications, statements, certificates, agreements and other instruments as shall be necessary or desirable to cause the Preferred or Capital Securities to be listed on the Nasdaq Stock Market or such other exchange; (iii) to file and execute on behalf of the Trust such applications, reports, surety bonds, irrevocable consents, appointments of attorney for service of process and other papers and documents as shall be necessary or desirable to register the Preferred or Capital Securities under the securities or "Blue Sky" laws of such jurisdictions as the Depositor, on behalf of the Trust, may deem necessary or desirable; and (iv) to execute, deliver and perform on behalf of the Trust an underwriting agreement with the Depositor and the underwriter or underwriters of the Preferred or Capital Securities of the Trust. In the event that any filing referred to in clauses (i)-(iii) above is required by the rules and regulations of the Commission, the Nasdaq Stock Market or other exchange, or state securities or Blue Sky laws to be executed on behalf of the Trust by the Trustees, the Trustees, in their capacities as trustees of the Trust, are hereby authorized and directed to join in any such filing and to execute on behalf of the Trust any and all of the foregoing, it being understood that the Trustees, in their capacities as trustees of the Trust, shall not be required to join in any such filing or execute on behalf of the Trust any such document unless required by the rules and regulations of the Commission, the Nasdaq Stock Market or other exchange, or state securities or Blue Sky laws. In connection with all of the foregoing, the Trustees, solely in their capacities as trustees of the Trust, and the Depositor hereby constitute and appoint Vince A. Elhilow as his, her or its, as the case may be, true and lawful attorney-in-fact and agent with full power of substitution and resubstitution for the Depositor or in the Depositor's name, place and stead, in any and all capacities, to sign any and all amendments (including all pre-effective and post-effective amendments) to the 1933 Act Registration Statement and the 1934 Act Registration Statement and to file the same, with all exhibits thereto, and any other documents in connection therewith, with the Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as the Depositor might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or his respective substitute or substitutes, shall do or cause to be done by virtue hereof.

5. This Trust Agreement may be executed in one or more counterparts.

6. The number of trustees of the Trust initially shall be five and thereafter the number of trustees of the Trust shall be such number as shall be fixed from time to time by a written instrument signed by the Depositor which may increase or decrease the number of trustees of the Trust; provided, however, that to the extent required by the Business Trust Act, one trustee of the Trust shall either be a natural person who is a resident of the State of Delaware or, if not a natural person, an entity which has its principal place of business in the State of Delaware. Subject to the foregoing, the Depositor is entitled to appoint or remove without cause any trustee of the Trust at any time. Any trustee of the Trust may resign upon thirty days' prior notice to the Depositor.

7. This Trust Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware (without regard to conflict of laws principles).

FROM LUSE LEHMAN

(WED) 12. 10' 97 12:34/ST. 12:30/NO. 4261831466 P 6

8. The Trust may terminate without issuing any securities at the election of the
Depositor.

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be duly executed as of the day and year first above written.

FIDELITY BANKSHARES, INC., as Depositor

By: *Vince A. Elhilow*
Name: Vince A. Elhilow
Title: President and Chief Executive Officer

THE BANK OF NEW YORK, as Property Trustee

By: _____
Name: _____
Title: _____

**THE BANK OF NEW YORK (DELAWARE),
as Delaware Trustee**

By: _____
Name: _____
Title: _____

ADMINISTRATIVE TRUSTEES

By: *Vince A. Elhilow*
Name: Vince A. Elhilow
Title: As Administrative Trustee

By: *Richard D. Aldred*
Name: Richard D. Aldred
Title: As Administrative Trustee

By: *Christopher H. Cook*
Name: Christopher H. Cook
Title: As Administrative Trustee

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be duly executed as of the day and year first above written.

FIDELITY BANKSHARES, INC., as Depositor

By: _____
Name: Vince A. Elhilow
Title: President and Chief Executive Officer

THE BANK OF NEW YORK, as Property Trustee

By: _____
Name: PAUL J. SCHMALZEL
Title: Assistant Vice President

**THE BANK OF NEW YORK (DELAWARE),
as Delaware Trustee**

By: _____
Name: MARY JANE MORRISSEY
Title: Authorized Signatory

ADMINISTRATIVE TRUSTEES

By: _____
Name: Vince A. Elhilow
Title: As Administrative Trustee

By: _____
Name: Richard D. Aldred
Title: As Administrative Trustee

By: _____
Name: Christopher H. Cook
Title: As Administrative Trustee