

F98000004269



SYNOVUS
FINANCIAL CORP.

KATHLEEN MOATES
Senior Vice President and
Deputy General Counsel

FEDERAL EXPRESS

Department of State
Division of Corporations
The Capital
409 East Gaines Street
Tallahassee, Florida 32399

October 19, 1999

FILED
99 OCT 28 AM 10:09
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

EFFECTIVE DATE
10/31/99

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-10/20/99-01061--003
*****70.00 *****70.00

RE: Articles of Merger of Ready Bank of Fort Walton Beach Holding Company, a Florida Business Corporation, With and Into Synovus Financial Corp., a Georgia Business Corporation

Ladies and Gentlemen:

Enclosed herewith please find the following documents filed by us in accordance with the Florida General Corporation Act:

1. The original and one conformed copy of the Articles of Merger of Ready Bank of Fort Walton Beach Holding Company with and into Synovus Financial Corp., said merger to be effective on October 31, 1999.
2. A check in the amount of \$70.00 payable to the Department of State to cover the cost of filing fee.

If the foregoing documents are in proper form for filing, we respectfully request that a copy of the Articles of Merger be returned to the undersigned.

Thank you for your assistance in this matter. Please let me know if you have any questions.

Sincerely,

Kathleen Moates

KM/bmk
enclosures

Merger

V. SHEPARD - OCT 29 1999

ARTICLES OF MERGER
Merger Sheet

MERGING:

READY BANK OF FORT WALTON BEACH HOLDING COMPANY, a Florida
corporation, P95000081106

into

SYNOVUS FINANCIAL CORP., a Georgia entity F98000004269

File date: October 28, 1999 , effective October 31, 1999

Corporate Specialist: Velma Shepard

ARTICLES OF MERGER OF
READY BANK OF FORT WALTON BEACH HOLDING COMPANY
WITH AND INTO SYNOVUS FINANCIAL CORP.

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to Section 14-2-1107 of the Official Code of Georgia Annotated, As Amended, and pursuant to Section 607.1108 of Florida Statutes, as Amended, the undersigned duly authorized officers of Synovus Financial Corp., a registered multi-financial services holding company, organized and existing as a Georgia business corporation (hereinafter referred to as "Synovus"), and Ready Bank of Fort Walton Beach Holding Company, a registered bank holding company, organized and existing as a Florida business corporation (hereinafter referred to as "Ready"), hereby adopt and execute these Articles of Merger, as follows:

EFFECTIVE DATE
10/31/99

1.

Synovus and Ready executed an Agreement and Plan of Merger ("Merger Agreement") in connection with the merger of Ready with and into Synovus with Synovus as the surviving corporation of the merger (hereinafter sometimes referred to as the "Merger"). A copy of the Merger Agreement is attached hereto as Exhibit "A" and by this reference made a part hereof.

2.

The Board of Directors of Synovus approved the Merger Agreement and the Merger, effective June 7, 1999, by a written Consent to Corporate Action executed pursuant to Section 14-2-821 of the Official Code of Georgia Annotated, As Amended. The approval of the Merger Agreement and the Merger by the shareholders of Synovus was not required.

3.

The Board of Directors of Ready approved the Merger Agreement and the Merger at a meeting of the Board of Directors of Ready held on May 18, 1999.

The shareholders of Ready duly approved and adopted the Merger Agreement and the Merger at a Special Meeting of Shareholders held after proper Notice of such Special Meeting on September 16, 1999.

4.

The name of the surviving corporation of the Merger of Ready with and into Synovus shall be "Synovus Financial Corp."

5.

The effective date of the Merger of Ready with and into Synovus shall be October 31, 1999.

IN WITNESS WHEREOF, the undersigned duly authorized officers of Synovus and Ready have herewith caused these Articles of Merger to be executed on behalf of their respective corporations as of this 18 day of October, 1999.

SYNOVUS FINANCIAL CORP.

By: Kathy Moates

Kathy Moates

Title: Senior Vice President

("Synovus")

READY BANK OF FORT WALTON
BEACH HOLDING COMPANY

By: James M. Ready

James M. Ready

Title: President

("Ready ")

AGREEMENT AND PLAN OF MERGER, As Amended

AGREEMENT AND PLAN OF MERGER, dated as of the 7th day of June, 1999 (the "Plan" or the "Agreement"), and amended as of July 27, 1999 by and among Synovus Financial Corp. ("Synovus") and Ready Bank of Fort Walton Beach Holding Company ("Ready").

RECITALS:

A. **Synovus.** Synovus has been duly incorporated and is an existing corporation in good standing under the laws of Georgia, with its principal executive offices located in Columbus, Georgia. As of May 30, 1999, Synovus had 600,000,000 authorized shares of common stock, par value \$1.00 per share ("Synovus Common Stock"), of which 271,314,672 shares were outstanding. All of the issued and outstanding shares of Synovus Common Stock are duly and validly issued and outstanding and are fully paid and nonassessable and not subject to any preemptive rights. Synovus has 36 wholly-owned banking subsidiaries (as defined in Rule 1-02 of Regulation S-X promulgated by the Securities and Exchange Commission, a "Subsidiary") and other non-banking Subsidiaries as of the date hereof.

B. **Ready.** Ready has been duly incorporated and is an existing corporation in good standing under the laws of Florida, with its principal executive offices located in Fort Walton Beach, Florida. As of the date hereof, Ready has 500,000 authorized shares of common stock, par value \$.01 per share ("Ready Common Stock"), of which 265,241 shares are outstanding on the date hereof. All of the issued and outstanding shares of Ready Common Stock are duly and validly issued and outstanding and are fully paid and nonassessable and subject to preemptive rights. Ready has one wholly-owned banking Subsidiary, Ready Bank of West Florida.

C. **Board Approvals.** The Boards of Directors of Synovus and Ready have duly approved the Plan and have duly authorized its execution.

D. **Materiality.** Unless the context otherwise requires, any reference in this Agreement to materiality with respect to any party shall be deemed to be with respect to such party and its Subsidiaries, or in the case of Ready, its Subsidiary, in each case taken as a whole.

In consideration of their mutual promises and obligations hereunder, and intending to be legally bound hereby, Synovus and Ready adopt and make the Plan and prescribe the terms and conditions hereof and the manner and basis of carrying it into effect, which shall be as follows:

I. THE MERGER

(A) **Structure of the Merger.** On the Effective Date (as defined in Article VII), Ready will merge (the "Merger") with and into Synovus, with Synovus being the surviving

corporation (the "Surviving Corporation") under the name Synovus Financial Corp. pursuant to the Georgia Business Corporation Code ("Georgia Act") and the Florida Business Corporation Act ("Florida Act"). On the Effective Date, the Articles of Incorporation and by-laws of Synovus (as the Surviving Corporation) shall be the Articles of Incorporation and by-laws of Synovus in effect immediately prior to the Effective Date.

Also on the Effective Date, Ready Bank of West Florida, a wholly-owned subsidiary of Ready, will be merged with and into Vanguard Bank & Trust Company, a wholly-owned subsidiary of Synovus, with Vanguard Bank & Trust Company as the resulting bank of the merger. After the merger the former offices of Ready Bank of West Florida will operate as branch offices of Vanguard Bank & Trust Company.

(B) Effect on Outstanding Shares. By virtue of the Merger, automatically and without any action on the part of the holder thereof, each share of Ready Common Stock issued and outstanding on the Effective Date (other than shares as to which dissenters' appraisal rights have been validly exercised and perfected and for which cash is payable pursuant to the Florida Act ("Dissenters' Shares")) shall become and be converted into shares of Synovus Common Stock, with the exact number of shares of Synovus Common Stock into which each such share of Ready Common Stock is to be converted to be determined in accordance with conversion ratio table set forth in Appendix "A" attached hereto and made a part hereof ("Per Share Exchange Ratio"). As of the Effective Date, each share of Ready Common Stock held as treasury stock of Ready shall be canceled, retired and cease to exist, and no payment shall be made in respect thereof."

No fractional shares of Synovus Common Stock shall be issued in connection with the Merger, but rather cash shall be paid in lieu thereof (without interest), with the amount of cash to be paid in lieu of fractional shares to be determined based upon the closing price per share of Synovus Common Stock on the New York Stock Exchange ("NYSE") on the fifth business day immediately preceding the Effective Date of the Merger.

Each shareholder of Ready Common Stock will be entitled to ten votes for each share of Synovus Common Stock to be received by him on the Effective Date pursuant to a set of resolutions adopted by the Board of Directors of Synovus on June 7, 1999 in accordance with and subject to those certain Articles of Amendment to Synovus' Articles of Incorporation, dated April 24, 1986. Synovus shall provide Ready with certified copies of such Resolutions.

Upon and after the Effective Date, each issued and outstanding share of Synovus Common Stock shall remain unchanged and shall continue to evidence the same number of shares of Synovus Common Stock.

Dissenters' Shares shall be purchased and paid for in accordance with the applicable provisions of Section 607.1301, et seq. of the Florida Act.

In the event that, subsequent to the date of this Plan but prior to the Effective Date, the outstanding shares of Synovus Common Stock shall have been increased, decreased, changed

into or exchanged for a different number or kind of shares or securities through reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split, or other like changes in Synovus' capitalization, then an appropriate and proportionate adjustment shall be made to the Per Share Exchange Ratio.

(C) Procedures. Certificates which represent shares of Ready Common Stock that are outstanding on the Effective Date (each, a "Certificate") and are converted into shares of Synovus Common Stock pursuant to the Plan shall, after the Effective Date, be deemed to represent shares of the Synovus Common Stock into which such shares have become converted and shall be exchangeable by the holders thereof in the manner provided in the transmittal materials described below for new certificates representing the shares of Synovus Common Stock into which such shares have been converted.

As promptly as practicable after the Effective Date, Synovus shall send to each holder of record of shares of Ready Common Stock outstanding on the Effective Date transmittal materials for use in exchanging the Certificates for such shares for certificates for shares of the Synovus Common Stock into which such shares of the Ready Common Stock have been converted pursuant to the Plan. Upon surrender of a Certificate, together with a duly executed stock power and any other required documents, the holder of such Certificate shall be entitled to receive in exchange therefor a certificate for the number of shares of Synovus Common Stock to which such holder is entitled, and such Certificate shall forthwith be canceled. No dividend or other distribution payable after the Effective Date with respect to the Synovus Common Stock shall be paid to the holder of any unsurrendered Certificate until the holder thereof surrenders such Certificate, at which time such holder shall receive all dividends and distributions, without interest thereon, previously withheld from such holder pursuant hereto. After the Effective Date, there shall be no transfers on the stock transfer books of Ready of shares of Ready Common Stock which were issued and outstanding on the Effective Date and converted pursuant to the provisions of the Plan. If, after the Effective Date, Certificates are presented for transfer to Ready, they shall be canceled and exchanged for the shares of Synovus Common Stock deliverable in respect thereof as determined in accordance with the provisions of Paragraph (B) of Article I and in accordance with the procedures set forth in this Paragraph C.

After the Effective Date, holders of Ready Common Stock shall cease to be, and shall have no rights as, stockholders of Ready, other than to receive shares of Synovus Common Stock into which such shares have been converted or fractional share payments pursuant to the Plan.

Notwithstanding the foregoing, neither Synovus nor Ready nor any other person shall be liable to any former holder of shares of Ready Common Stock for any amount properly delivered to a public official pursuant to applicable abandoned property, escheat or similar laws.

(D) Options. On the Effective Date, each option granted by Ready to purchase shares of Ready Common Stock, which is outstanding and unexercised immediately prior thereto,

shall be converted automatically without tax to the holder of the option into an option to purchase shares of Synovus Common Stock in an amount and at an exercise price determined as provided below (and otherwise having the same duration and other terms as the original option):

(1) The number of shares of Synovus Common Stock to be subject to the new option shall be equal to the product of the number of shares of Ready Common Stock subject to the original option multiplied by the Per Share Exchange Ratio provided that any fractional shares of Synovus Common Stock resulting from such multiplication shall be rounded to the nearest whole share; and

(2) The exercise price per share of Synovus Common Stock under the new option shall be equal to the exercise price per share of Ready Common Stock under the original option divided by the Per Share Exchange Ratio provided that such exercise price shall be rounded up to the nearest cent.

The adjustment provided herein with respect to any options which are "incentive stock options" (as defined in Section 422 of the Internal Revenue Code of 1986, as amended (the "Code")), shall be and is intended to be effected in a manner which is consistent with Section 424(a) of the Code.

Within thirty (30) days after the Effective Date, Synovus shall notify each holder of an option to purchase Ready Common Stock of the assumption of such options by Synovus and the revisions to the options shall be effected thereby. No payment shall be made for fractional interests.

II. ACTIONS PENDING MERGER

(A) Ready and its Subsidiary shall conduct their banking business only in the ordinary course and shall not, without the prior written consent of Synovus, which consent will not be unreasonably withheld: (1) issue any options to purchase capital stock or issue any shares of capital stock, other than shares of Ready Common Stock issued in connection with the exercise of currently outstanding options to purchase shares of Ready Common Stock; (2) declare, set aside, or pay any dividend or distribution with respect to the capital stock of Ready, (3) directly or indirectly redeem, purchase or otherwise acquire any capital stock of Ready or its Subsidiary; (4) effect a split or reclassification of Ready or its Subsidiary's capital stock or a recapitalization of Ready or its Subsidiary; (5) amend the Articles of Incorporation or bylaws of Ready or its Subsidiary; (6) grant any increase in the compensation payable or to become payable by Ready or its Subsidiary to any employee other than normal, annual compensation increases that are desired to be made with regard to Ready or its Subsidiary's employees or are required by law or as described in the disclosure letter; (7) make any change in any bonus, group insurance, pension, profit sharing, deferred compensation, or other benefit plan, payment or arrangement made to, for or with respect to any employees or directors of Ready or its Subsidiary, except to the extent such changes are required by applicable laws or regulations or result from a third party's exercise of its rights to terminate an insurance contract providing benefits under such benefit plan, payment or arrangement; (8) enter into,

terminate, modify or amend any contract, lease or other agreement with any officer or director of Ready or its Subsidiary or any "associate" of any such officer or director, as such term is defined in Regulation 14A under the Securities Exchange Act of 1934, as amended ("Exchange Act"), other than in the ordinary course of their banking business; (9) incur or assume any liabilities, other than in the ordinary course of their banking business; (10) dispose of any of their assets or properties, other than in the ordinary course of their banking business; (11) solicit, encourage or authorize any individual, corporation or other entity, including its directors, officers and other employees, to solicit from any third party any inquiries or proposals relating to the disposition of its business or assets, or the acquisition of its voting securities, or the merger of it or its Subsidiary with any corporation or other entity other than as provided by this Agreement, or subject to the fiduciary obligations of its Board of Directors, provide any individual, corporation or other entity with information or assistance or negotiate with any individual, corporation or other entity in furtherance of such inquiries or to obtain such a proposal (and Ready shall promptly notify Synovus of all of the relevant details relating to all inquiries and proposals which it may receive relating to any of such matters); (12) take any other action or permit its Subsidiary to take any action not in the ordinary course of business of it and its Subsidiary; or (13) directly or indirectly agree to take any of the foregoing actions.

(B) Without the prior written consent of Ready, which consent will not be unreasonably withheld, Synovus will not take any action that would: (1) delay or adversely affect the ability of Synovus to obtain any necessary approvals of regulatory authorities required for the transactions contemplated hereby; or (2) adversely affect its ability to perform its covenants and agreements on a timely basis under this Plan.

III. REPRESENTATIONS AND WARRANTIES

Synovus hereby represents and warrants to Ready, and Ready represents and warrants to Synovus, that, except as previously disclosed in a letter of Synovus or Ready, respectively, of even date herewith delivered to the other party (all references to Subsidiaries below shall, in the case of Ready, be deemed to be Subsidiary):

(A) the representations set forth in Recitals A through C of the Plan with respect to it are true and correct;

(B) the outstanding shares of capital stock of it and its Subsidiaries are duly authorized, validly issued and outstanding, fully paid and (subject to 12 U.S.C. §55 in the case of a national bank subsidiary) non-assessable, and (in the case of Synovus) subject to no preemptive rights;

(C) each of it and its Subsidiaries has the power and authority, and is duly qualified in all jurisdictions (except for such qualifications the absence of which will not as a whole have a Material Adverse Effect, as hereinafter defined) where such qualification is required, to carry on its business as it is now being conducted and to own all its material properties and assets, and it has all federal, state, local, and foreign governmental authorizations necessary for it to

own or lease its properties and assets and to carry on its business as it is now being conducted, except for such powers and authorizations the absence of which, either individually or in the aggregate, would not have a Material Adverse Effect;

(D) the shares of capital stock of each of its Subsidiaries are owned by it (except for director's qualifying shares) free and clear of all liens, claims, encumbrances and restrictions on transfer;

(E) subject, in the case of Ready, to the receipt of any required shareholder approval of this Plan, the Plan has been authorized by all necessary corporate action of it and, subject to receipt of such approvals of shareholders and required regulatory approvals, is a valid and binding agreement of it enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles;

(F) the execution, delivery and performance of the Plan by it does not, and the consummation of the transactions contemplated hereby by it will not, constitute: (1) a breach or violation of, or a default under, any law, rule or regulation or any judgment, decree, order, governmental permit or license, or agreement, indenture or instrument of it or its Subsidiaries or to which it or its Subsidiaries (or any of their respective properties) is subject which breach, violation or default would have a material adverse effect on the financial condition, results of operations or business of it and its subsidiaries, taken as a whole (a "Material Adverse Effect"), or enable any person to enjoin any of the transactions contemplated hereby; or (2) a breach or violation of, or a default under, the certificate or articles of incorporation or by-laws of it or any of its Subsidiaries; and the consummation of the transactions contemplated hereby will not require any consent or approval under any such law, rule, regulation, judgment, decree, order, governmental permit or license or the consent or approval of any other party to any such agreement, indenture or instrument, other than the required approvals of applicable regulatory authorities and the approval of the shareholders of Ready, both of which are referred to in Paragraph (A) of Article V and any consents and approvals the absence of which will not have a Material Adverse Effect;

(G) in the case of Synovus, its Annual Report on Form 10-K for the fiscal year ended December 31, 1998, nor any other document filed subsequent to December 31, 1998 under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act, each in the form filed with the Securities and Exchange Commission ("SEC") (collectively, its "Reports"), contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. Each of the balance sheets in or incorporated by reference into Synovus' Reports (including the related notes and schedules) fairly presents the financial position of the entity or entities to which it relates as of its date and each of the statements of operations and retained earnings and of cash flows and changes in financial position or equivalent statements in or incorporated by reference into Synovus' Reports (including any related notes and schedules) fairly presents the results of operations, retained earnings and cash flows and changes in financial position, as the case may be, of the entity or

entities to which it relates for the periods set forth therein (subject, in the case of unaudited interim statements, to normal year-end audit adjustments that are not material in amount or effect), in each case in accordance with generally accepted accounting principles applicable to bank holding companies consistently applied during the periods involved, except as may be noted therein. Synovus has no material obligations or liabilities (contingent or otherwise) except as disclosed in the Reports. For purposes of this Paragraph, material shall have the meaning as defined under the Securities Act of 1933, as amended ("Securities Act"), the Exchange Act and the rules promulgated thereunder;

(H) it has no material liabilities and obligations secured or unsecured, whether accrued, absolute, contingent or otherwise, known or unknown, due or to become due, including, but not limited to tax liabilities, that should have been but are not reflected in or reserved against in its financial statements as of December 31, 1998 or in its financial statements as of March 31, 1999 or disclosed in the notes thereto;

(I) there has not been the occurrence of one or more events, conditions, actions or states of facts which have caused a Material Adverse Effect with respect to it since December 31, 1998;

(J) all material federal, state, local, and foreign tax returns required to be filed by or on behalf of it or any of its Subsidiaries have been timely filed or requests for extensions have been timely filed and any such extension shall have been granted and not have expired; and to the best of its knowledge, all such returns filed are complete and accurate in all material respects. All taxes shown on returns filed by it have been paid in full or adequate provision has been made for any such taxes on its balance sheet (in accordance with generally accepted accounting principles). As of the date of the Plan, there is no audit examination, deficiency, or refund litigation with respect to any taxes of it that would result in a determination that would have a Material Adverse Effect. All taxes, interest, additions, and penalties due with respect to completed and settled examinations or concluded litigation relating to it have been paid in full or adequate provision has been made for any such taxes on its balance sheet (in accordance with generally accepted accounting principles). It has not executed an extension or waiver of any statute of limitations on the assessment or collection of any material tax due that is currently in effect;

(K)(1) no litigation, proceeding or controversy before any court or governmental agency is pending, and there is no pending claim, action or proceeding against it or any of its Subsidiaries, which in the reasonable judgment of its Chief Executive Officer is likely to have a Material Adverse Effect or to prevent consummation of the transactions contemplated hereby, and, to the best of its knowledge, no such litigation, proceeding, controversy, claim or action has been threatened or is contemplated; and (2) neither it nor any of its Subsidiaries is subject to any agreement, memorandum of understanding, commitment letter, board resolution or similar arrangement with, or transmitted to, any regulatory authority materially restricting its operations as conducted on the date hereof or requiring that certain actions be taken which could reasonably be expected to have a Material Adverse Effect;

(L) neither it nor its Subsidiaries are in default in any material respect under any material contract (as defined in Item 601(b)(10)(i) and (ii) of Regulation S-K) and there has not occurred any event that, with the lapse of time or the giving of notice or both, would constitute such a default;

(M) all "employee benefit plans," as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), that cover any of its or its Subsidiaries' employees, comply in all material respects with all applicable requirements of ERISA, the Code and other applicable laws; neither it nor any of its Subsidiaries has engaged in a "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) with respect to any such plan which is likely to result in any material penalties or taxes under Section 502(i) of ERISA or Section 4975 of the Code; no material liability to the Pension Benefit Guaranty Corporation has been or is expected by it or them to be incurred with respect to any such plan which is subject to Title IV of ERISA ("Pension Plan"), or with respect to any "single-employer plan" (as defined in Section 4001(a)(15) of ERISA) currently or formerly maintained by it, them or any entity which is considered one employer with it under Section 4001 of ERISA or Section 414 of the Code; no Pension Plan had an "accumulated funding deficiency" (as defined in Section 302 of ERISA (whether or not waived) as of the last day of the end of the most recent plan year ending prior to the date hereof; the fair market value of the assets of each Pension Plan exceeds the present value of the "benefit liabilities" (as defined in Section 4001(a)(16) of ERISA) under such Pension Plan as of the end of the most recent plan year with respect to the respective Plan ending prior to the date hereof, calculated on the basis of the actuarial assumptions used in the most recent actuarial valuation for such Pension Plan as of the date hereof; no notice of a "reportable event" (as defined in Section 4043 of ERISA) for which the 30-day reporting requirement has not been waived has been required to be filed for any Pension Plan within the 12-month period ending on the date hereof; it and its Subsidiaries have not contributed to a "multi-employer plan", as defined in Section 3(37) of ERISA; and it and its Subsidiaries do not have any obligations for retiree health and life benefits under any benefit plan, contract or arrangement, except as required by Section 4980B of the Code and Part 6 of Subtitle B of Title I of ERISA;

(N) each of it and its Subsidiaries has good and marketable title to its properties and assets, tangible or intangible (other than property as to which it is lessee) that are material to its business except for such defects in title which would not, in the aggregate, have a Material Adverse Effect;

(O) it knows of no reason why the regulatory approvals referred to in Paragraphs (A)(2) and (A)(3) of Article V should not be obtained without the imposition of any condition of the type referred to in the proviso following such Paragraphs (A)(2) and (A)(3);

(P) it and each of its Subsidiaries has all material permits, licenses, certificates of authority, orders, and approvals of, and has made all filings, applications, and registrations with, federal, state, local, and foreign governmental or regulatory bodies that are required in order to permit it to carry on its business as it is presently conducted and the absence of which would have a Material Adverse Effect; all such permits, licenses, certificates of authority,

orders, and approvals are in full force and effect, and to the best knowledge of it no suspension or cancellation of any of them is threatened;

(Q) in the case of Synovus, the shares of capital stock to be issued pursuant to the Plan, when issued in accordance with the terms of the Plan, will be duly authorized, validly issued, fully paid and nonassessable and subject to no preemptive rights;

(R) neither it nor any of its Subsidiaries is a party to, or is bound by, any collective bargaining agreement, contract, or other agreement or understanding with a labor union or labor organization, nor is it or any of its Subsidiaries the subject of a proceeding asserting that it or any such Subsidiary has committed an unfair labor practice or seeking to compel it or such Subsidiary to bargain with any labor organization as to wages and conditions of employment, nor is there any strike or other labor dispute involving it or any of its Subsidiaries pending or threatened;

(S) neither it nor any of its Subsidiaries, nor any of their respective officers, directors, or employees, has employed any broker or finder or incurred any liability for any financial advisory fees, brokerage fees, commissions, or finder's fees, and no broker or finder has acted directly or indirectly for it or any of its Subsidiaries, in connection with the Plan or the transactions contemplated hereby;

(T) for purposes of this section, the following terms shall have the indicated meaning:

"Environmental Law" means any federal, state or local law, statute, ordinance, rule, regulation, code, license, permit, authorization, approval, consent, order, judgment, decree, injunction or agreement with any governmental entity relating to: (1) the protection, preservation or restoration of the environment (including, without limitation, air, water vapor, surface water, groundwater, drinking water supply, surface soil, subsurface soil, plant and animal life or any other natural resource); and/or (2) the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, production, release or disposal of Hazardous Substances. The term Environmental Law includes without limitation: (1) the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. § 9601, et seq; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901, et seq; the Clean Air Act, as amended, 42 U.S.C. § 7401, et seq; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq; the Toxic Substances Control Act, as amended, 15 U.S.C. § 9601, et seq; the Emergency Planning and Community Right to Know Act, 42 U.S.C. § 11001, et seq; the Safe Drinking Water Act, 42 U.S.C. § 300f, et seq; all accompanying federal regulations and all comparable state and local laws; and (2) any common law (including without limitation common law that may impose strict liability) that may impose liability or obligations for injuries or damages due to, or threatened as a result of, the presence of or exposure to any Hazardous Substance.

"Hazardous Substance" means any substance or waste presently listed, defined, designated or classified as hazardous, toxic, radioactive or dangerous, or otherwise regulated, under any Environmental Law, whether by type or by quantity, including any material

containing any such substance as a component. Hazardous Substances include without limitation petroleum or any derivative or by-product thereof, asbestos, radioactive material, and polychlorinated biphenyls.

"Loan Portfolio Properties and Other Properties Owned" means those properties owned or operated by Synovus or Ready, as applicable, or any of their respective Subsidiaries.

(1) there are no actions, suits, demands, notices, claims, investigations or proceedings pending or, to its actual knowledge, threatened against it and its Subsidiaries relating to the Loan Portfolio Properties and Other Properties Owned by it or its Subsidiaries under any Environmental Law, including without limitation any notices, demand letters or requests for information from any federal or state environmental agency relating to any such liabilities under or violations of Environmental Law, nor, in the actual knowledge of it and its Subsidiaries, are there any circumstances which could lead to such actions, suits, demands, notices, claims, investigations or proceedings, except such which will not have, or result in, a Material Adverse Effect; and

(2) Ready will, within 30 days after the date hereof, engage a firm satisfactory to Synovus to conduct: (a) a phase one environmental assessment of the banking facilities currently owned by Ready upon which Ready is conducting a banking business, which assessment shall meet the standards of ASTM E1527-97 and shall include at a minimum a site history, on-site inspection, asbestos report, evaluation of surrounding properties and soil tests in the event any underground storage tanks are discovered. Synovus has requested such inspection and testing in an effort to reasonably determine whether potential liabilities exist relating to Environmental Law. Delivery of the phase one assessments satisfactory to Synovus is an express condition precedent to the consummation of the Merger. Within 15 days after receipt of these reports, Synovus shall notify Ready in writing whether or not, in the reasonable judgment of Synovus, the results of such reports will have a Material Adverse Effect on Ready. In the event that Synovus determines, in its reasonable judgment, that the results of such reports will have a Material Adverse Effect on Ready, such written notification shall include a statement by Synovus regarding whether or not it intends to terminate this Agreement based upon the results of such reports. The Parties agree that Synovus has given Ready good and valuable consideration for its agreement to obtain and pay the cost of such inspection and testing, and Synovus shall be entitled to rely on same;

(U) in the case of Synovus, its reserve for possible loan losses as shown in its audited financial statements as of December 31, 1998 was, and its reserve for possible loan losses as shown in its Quarterly Reports on Form 10-Q filed prior to the Effective Date will be, adequate in all material respects under generally accepted accounting principles applicable to banks and bank holding companies and, in the case of Ready, its reserve for possible loan losses as shown in its financial statements as of December 31, 1998 was, and its reserve for possible loan losses as shown in its unaudited quarterly financial statements prepared for all quarters ending prior to the Effective Date will be, adequate in all material respects under generally accepted accounting principles applicable to banks and bank holding companies;

(V) in the case of Ready, other than options to purchase 22,000 (or fewer) shares of Ready Common Stock, there are no outstanding options, agreements, contracts, calls or commitments which would require the issuance by Ready of any shares of Ready Common Stock or securities convertible into such Common Stock; and

(W) it has adopted and is in the process of implementing policies and procedures to ensure that it will be in compliance with the Federal Financial Institution Examination Counsel's May 5, 1997 Interagency Statement on Year 2000 Project Management Awareness and subsequent regulatory directives with respect to Year 2000 issues.

IV. COVENANTS

Synovus hereby covenants to Ready, and Ready hereby covenants to Synovus, that:

(A) it shall take or cause to be taken all action necessary or desirable under the Plan on its part as promptly as practicable, including, in the case of Synovus, the filing of all necessary applications, so as to permit the consummation of the transactions contemplated by the Plan at the earliest possible date and cooperate fully with the other party hereto to that end;

(B) in the case of Ready, it shall: (1) take all steps necessary to duly call, give notice of, convene and hold a meeting of its shareholders for the purpose of approving the Plan as soon as is reasonably practicable; (2) distribute to its shareholders the Private Placement Memorandum in accordance with applicable federal and state law and with its articles of incorporation and by-laws; (3) recommend to its shareholders that they approve the Plan (unless such recommendation would constitute a breach of its board of directors' fiduciary duties as determined in good faith after consultation with counsel); and (4) cooperate and consult with Synovus with respect to each of the foregoing matters;

(C) it will cooperate in the preparation of the Private Placement Memorandum in order to consummate the transactions contemplated by the Plan as soon as is reasonably practicable;

(D) subject to its disclosure obligations imposed by law, unless reviewed and agreed to by the other party hereto in advance, it will not issue any press release or written statement for general circulation relating to the transactions contemplated hereby; provided, however, that nothing in this Paragraph (D) shall be deemed to prohibit either party from making any disclosure which its counsel deems necessary or advisable in order to satisfy such party's disclosure obligations imposed by law;

(E) from and subsequent to the date hereof, it will: (1) give to the other party hereto and its respective counsel and accountants reasonable access to its premises and books and records during normal business hours for any reasonable purpose related to the transactions contemplated hereby; and (2) cooperate and instruct its respective counsel and accountants to cooperate with the other party hereto and with its respective counsel and accountants with regard to the formulation and production of all necessary information, disclosures, financial statements, registration statements and regulatory filings with respect to the transactions

encompassed by the Plan. Any nonpublic information regarding either party shall be held strictly confidential and used solely for the purposes of the transactions contemplated herein. In the event of termination, each party shall return all nonpublic information regarding the other party to such other party;

(F) it shall notify the other party hereto as promptly as practicable of: (1) any breach of any of its representations, warranties or agreements contained herein; (2) any occurrence or impending occurrence, of any event or circumstance which would cause or constitute a material breach of any of the representations, warranties or agreements of it contained herein; (3) any material adverse change in its financial condition, results of operations or business; and (4) it shall use its best efforts to prevent or remedy the same;

(G) it shall cooperate and use its best efforts to promptly prepare and file all necessary documentation to effect all necessary applications, notices, petitions, filings and other documents, and to obtain all necessary permits, consents, approvals and authorizations of all third parties and governmental bodies or agencies, including, in the case of Synovus, submission of applications for approval of the Plan and the transactions contemplated hereby to the Board of Governors of the Federal Reserve System (the "Board of Governors") in accordance with the provisions of the Bank Holding Company Act of 1956, as amended, the Georgia Department of Banking and Finance ("Georgia Department"), the Florida Department of Banking and Finance ("Florida Department" and the Federal Deposit Insurance Corporation ("FDIC") and to such other regulatory agencies as required by law;

(H) it will use its best efforts to cause the Merger to qualify for pooling-of-interests accounting treatment and to qualify as a reorganization within the meaning of Section 368(a) of the Code for federal income tax purposes;

(I) in the case of Synovus, it shall cause the shares of Synovus Common Stock to be issued pursuant to the terms of this Plan to be approved for listing on the NYSE, and each such share shall be entitled to ten votes per share in accordance with and subject to those certain Articles of Amendment to Synovus' Articles of Incorporation dated April 24, 1986;

(J) in the case of Synovus, following the Effective Date, it shall provide generally to officers and employees of Ready and its Subsidiary employee benefits, including without limitation pension benefits, health and welfare benefits, life insurance and vacation and severance arrangements ("Employee Benefits") on terms and conditions which, when taken as a whole are: (1) substantially similar to those currently provided by Ready and its Subsidiary; or (2) the same employee benefits as are provided to employees of Vanguard Bank & Trust Company;

(J) in the case of Ready, it shall use its best efforts to cause each director, executive officer and other person who is an "affiliate" (for purposes of Rule 145 under the Securities Act and for purposes of qualifying for "pooling-of interests" treatment as described below) to deliver to Synovus as soon as practicable after the date hereof, but in no event after the date of the Ready shareholders meeting called to approve the Merger, a written agreement providing

that such person will not sell, or in any other way reduce his or her risk relative to any shares of Ready Common Stock held by such "affiliate" and the shares of Synovus Common Stock to be received by such "affiliate" in the Merger: (1) in the case of shares of Synovus Common Stock only, except in compliance with the applicable provisions of the Securities Act and the rules and regulations thereunder; and (2) during the periods during which any such sale, pledge, transfer or other disposition would, under generally accepted accounting principles or the rules, regulations or interpretations of the SEC, disqualify the Merger for "pooling-of-interests" accounting treatment, except as permitted by Staff Accounting Bulletin No. 76 issued by the SEC. The certificates of Synovus Common Stock issued to affiliates of Ready will bear an appropriate legend reflecting the foregoing. The parties understand that such periods in general encompass the period commencing 30 days prior to the Merger and ending at the time of the publication of financial results covering at least 30 days of combined operations of Synovus and Ready within the meaning of Section 201.01 of the SEC's Codification of Financial Reporting Policies;

(K) it will not directly or indirectly take any action or omit to take any action to cause any of its representations and warranties made in this Plan to become untrue;

(L) in the case of Synovus, it shall take no action which would cause the shareholders of Ready to recognize gain or loss as a result of the Merger to the extent such shareholders would not otherwise recognize gain or loss as described in Paragraph (A)(6) of Article V;

(M) it shall take no action which would prevent the Merger from qualifying for pooling-of-interests accounting treatment; and

(N) in the case of Synovus, as soon as reasonably practicable upon the execution hereof, Synovus shall prepare a Private Placement Memorandum with respect to the securities to be issued to the shareholders of Ready pursuant to the terms of this Agreement. The Private Placement Memorandum shall also serve as a proxy statement with respect to the shareholders' meeting of Ready shareholders to be held for the purpose of approving the terms of this Agreement. Ready shall cooperate in the preparation of the Private Placement Memorandum and shall furnish all information concerning it as Synovus may reasonably request. Within forty five days ~~after~~ the Effective Date, Synovus shall, at its own cost, prepare and file a Registration Statement on Form S-3 with the SEC, and shall use its reasonable efforts to cause the Registration Statement to become effective under the Securities Act and take any other action required to be taken under the applicable state Blue Sky or securities laws in connection with the resale of the shares of Synovus Common Stock upon consummation of the Merger. The Ready shareholders shall cooperate in the preparation and filing of the Registration Statement and shall furnish all information concerning the Ready shareholders as Synovus may reasonably request in connection with such action. Synovus shall maintain the effectiveness of the Registration Statement for not less than one year or the earlier sale of all Synovus shares by the Ready shareholders. In connection with the preparation and filing of the Registration Statement, Synovus shall keep the Ready shareholders fully informed and shall extend to the Ready shareholders and shall be entitled to receive in return such cooperation and assistance, including normal indemnification, as are customary in comparable transactions.

V. CONDITIONS TO CONSUMMATION

(A) The respective obligations of Synovus and of Ready to effect the Merger shall be subject to the satisfaction prior to the Effective Date of the following conditions:

(1) the Plan and the transactions contemplated hereby shall have been approved by the requisite vote of the shareholders of Ready;

(2) the procurement by Synovus of approval of the Plan and the transactions contemplated hereby by the Board of Governors, the Georgia Department, the Florida Department and the FDIC;

(3) procurement of all other regulatory consents and approvals which are necessary to the consummation of the transactions contemplated by the Plan; provided, however, that no approval or consent in Paragraphs (A)(2) and (A)(3) of this Article V shall be deemed to have been received if it shall include any conditions or requirements (other than conditions or requirements which are customarily included in such an approval or consent) which would have a Material Adverse Effect on the economic or business benefits of the transactions contemplated hereby as to render inadvisable the consummation of the Merger in the reasonable opinion of the Board of Directors of Synovus or Ready;

(4) the satisfaction of all other requirements prescribed by law which are necessary to the consummation of the transactions contemplated by the Plan;

(5) no statute, rule, regulation, order, injunction or decree shall have been enacted, entered, promulgated or enforced by any governmental authority which prohibits, unreasonably restricts or makes illegal consummation of the Merger;

(6) each party shall have received an opinion from KPMG LLP, Certified Public Accountants ("KPMG"), updated as of the Effective Date, to the effect that, the Merger will be treated for federal income tax purposes as a reorganization within the meaning of Section 368(a)(1)(A) of the Code and that, accordingly: (i) no gain or loss will be recognized by Synovus or Ready as a result of the Merger; and (ii) no gain or loss will be recognized by the shareholders of Ready who exchange their shares of Ready Common Stock solely for shares of Synovus Common Stock pursuant to the Merger (except with respect to cash received in lieu of a fractional share interest in Synovus Common Stock or cash received as a result of the exercise of statutory dissenters' rights against the Merger);

(7) each party shall have delivered to the other party a certificate, dated as of the Effective Date, signed by its Chairman of the Board, and its Chief Financial Officer or Controller to the effect that, to the best knowledge and belief of such officers, the statement of facts and representations made on behalf of the management of such party, presented to KPMG in delivering the Tax Opinion, were at the date of such presentation true, correct and complete. Each party shall have received a copy of the Tax Opinion referred to in Paragraph (A)(6) of this Article V; and

(8) Synovus shall have reasonably concluded that the Merger will qualify for pooling-of-interests accounting treatment.

(B) The obligation of Synovus to effect the Merger shall be subject to the satisfaction prior to the Effective Date of the following additional conditions:

(1) each of the representations, warranties and covenants contained herein of Ready shall be true on, or complied with by, the Effective Date in all material respects as if made on such date (or on the date when made in the case of any representation or warranty which specifically relates to an earlier date) and Synovus shall have received a certificate signed by the Chief Executive Officer of Ready, dated the Effective Date, to such effect;

(2) there shall be no discovery of facts, or actual or threatened causes of action, investigations or proceedings by or before any court or other governmental body that relates to or involves either Ready or its Subsidiary: (a) which, in the reasonable judgment of Synovus, would have a Material Adverse Effect upon either Ready or the consummation of the transactions contemplated by this Agreement; (b) that challenges the validity or legality of this Agreement or the consummation of the transactions contemplated by this Agreement; or (c) that seeks to restrain or invalidate the consummation of the transactions contemplated by this Agreement or seeks damages in connection therewith;

(3) Synovus shall not have learned of any fact or condition with respect to the business, properties, assets, liabilities, deposit relationships or earnings of Ready or its Subsidiary which, in the reasonable judgment of Synovus, is materially and adversely at variance with one or more of the warranties or representations set forth in this Agreement or which, in the reasonable judgment of Synovus, has or will have a Material Adverse Effect on Ready or its Subsidiary, including, without limitation, the loan portfolio of Subsidiary and the adequacy of the loan loss reserves for such loan portfolio;

(4) on the Effective Date, Subsidiary will have a CAMEL rating of at least 2 and a Compliance Rating and Community Reinvestment Act Rating of at least Satisfactory;

(5) on the Effective Date, Subsidiary will have a loan loss reserve of at least 1.05% of loans and which will be adequate in all material respects under generally accepted accounting principles applicable to banks;

(6) Ready shall have delivered to Synovus the environmental reports referenced in Paragraph (T) of Article III; and

(7) the results of any regulatory exam of Ready and its Subsidiary occurring between the date hereof and the Effective Date shall be reasonably satisfactory to Synovus.

(C) The obligation of Ready to effect the Merger shall be subject to the satisfaction prior to the Effective Date of the following additional conditions:

(1) each of the representations, warranties and covenants contained herein of Synovus shall be true on, or complied with by, the Effective Date in all material respects as if made on such date (or on the date when made in the case of any representation or warranty which specifically relates to an earlier date) and Ready shall have received a certificate signed by the Chief Executive Officer of Synovus, dated the Effective Date, to such effect;

(2) the listing for trading of the shares of Synovus Common Stock which shall be issued pursuant to the terms of this Plan on the NYSE shall have been approved by the NYSE subject to official notice of issuance;

(3) there shall be no discovery of facts, or actual or threatened causes of action, investigations or proceedings by or before any court or other governmental body that relates to or involves either Synovus or its Subsidiaries: (a) which, in the reasonable judgment of Ready, would have a Material Adverse Effect upon either Synovus or the consummation of the transactions contemplated by this Agreement; (b) that challenges the validity or legality of this Agreement or the consummation of the transactions contemplated by the Agreement; or (c) that seeks to restrain or invalidate the consummation of the transactions contemplated by this Agreement or seeks damages in connection therewith; and

(4) Ready shall not have learned of any fact or condition with respect to the business, properties, assets, liabilities, deposit relationships or earnings of Synovus which, in the reasonable judgment of Ready, is materially and adversely at variance with one or more of the warranties or representations set forth in this Agreement or which, in the reasonable judgment of Ready, has or will have a Material Adverse Effect on Synovus.

VI. TERMINATION

A. The Plan may be terminated prior to the Effective Date, either before or after its approval by the stockholders of Ready:

(1) by the mutual consent of Synovus and Ready, if the Board of Directors of each so determines by vote of a majority of the members of its entire Board;

(2) by Synovus or Ready if consummation of the Merger does not occur by reason of the failure of any of the conditions precedent set forth in Article V hereof unless the failure to meet such condition precedent is due to a breach of the Plan by the party seeking to terminate; or

(3) by Synovus or Ready if its Board of Directors so determines by vote of a majority of the members of its entire Board in the event that the Merger is not consummated by November 30, 1999 unless the failure to so consummate by such time is due to the breach of the Plan by the party seeking to terminate.

B. In the event of the termination of this Plan by Synovus or Ready for the reasons and as provided in 1, 2 or 3 above, this Plan shall thereafter become void and there shall be no liability on the part of any party hereto or their respective officers or directors.

VII. EFFECTIVE DATE

The "Effective Date" shall be the date on which the Merger becomes effective as specified in the Certificate of Merger to be filed with the Secretary of State of Georgia and the Department of State of Florida approving the Merger.

VIII. OTHER MATTERS

(A) The agreements and covenants of the parties which by their terms apply in whole or in part after the Effective Date shall survive the Effective Date. Except for Paragraph (Q) of Article III, no other representations, warranties, agreements and covenants shall survive the Effective Date. If the Plan shall be terminated, the agreements of the parties in Paragraph (E) of Article IV and Paragraphs (E) and (F) of this Article shall survive such termination.

(B) Prior to the Effective Date, any provision of the Plan may be: (1) waived by the party benefitted by the provision or by both parties; or (2) amended or modified at any time (including the structure of the transaction) by an agreement in writing between the parties hereto approved by their respective Boards of Directors (to the extent allowed by law) or by their respective Boards of Directors.

(C) This Plan may be executed in multiple and/or facsimile originals, and each copy of the Plan bearing the manually executed, facsimile transmitted or photocopied signature of each of the parties hereto shall be deemed to be an original.

(D) The Plan shall be governed by, and interpreted in accordance with, the laws of the State of Georgia.

(E) Each party hereto will bear all expenses incurred by it in connection with the Plan and the transactions contemplated hereby, including, but not limited to, the fees and expenses of its respective counsel and accountants.

(F) Each of the parties and its respective agents, attorneys and accountants will maintain the confidentiality of all information provided in connection herewith which has not been publicly disclosed unless it is advised by counsel that any such information is required by law to be disclosed.

(G) All notices, requests, acknowledgments and other communications hereunder to a party shall be in writing and shall be deemed to have been duly given when delivered by hand, telecopy, telegram or telex (confirmed in writing), by overnight courier or sent by registered or certified mail, postage paid, to such party at its address set forth below or such other address as such party may specify by notice to the other party hereto.

If to Synovus, to Mr. Thomas J. Prescott, Executive Vice President and Chief Financial Officer of Synovus, Suite 201, 901 Front Avenue, Columbus, Georgia 31901 (fax (706)649-2342), with a copy to Ms. Kathleen Moates at the same address.

If to Ready, to Mr. James M. Ready, President, Ready Bank of Fort Walton Beach Holding Company, Inc., 71 N. Beal Parkway, Ft. Walton Beach, Florida 32548.

(H) All terms and provisions of the Plan shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Except as expressly provided for herein, nothing in this Plan is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Plan.

(I) The Plan represents the entire understanding of the parties hereto with reference to the transactions contemplated hereby and supersedes any and all other oral or written agreements heretofore made.

(J) This Plan may not be assigned by any party hereto without the written consent of the other parties.

In Witness Whereof, the parties hereto have caused this instrument to be executed in counterparts by their duly authorized officers as of the day and year first above written.

SYNOVUS FINANCIAL CORP.

By: Kathy Maates

Title: Senior VP

Attest: Gairlon P. [Signature]

Title: VP

READY BANK OF FORT WALTON BEACH HOLDING COMPANY

BY: James M. Ready

James M. Ready

Title: President

Attest: Ann M. Peel

Ann M. Peel

Title: Secretary

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Appendix "A"
 Ready Bank of Fort Walton Beach Holding Company
Conversion Ratio Table

The conversion ratio of shares of Synovus Common Stock for Ready Common Stock to be issued upon consummation of the Merger shall be computed using the following table:

<u>Average of the Closing Prices Per Share of Synovus Common Stock on the 20 Trading Days ending on the 5th Business Day Before the Ready Special Shareholders' Meeting</u>	<u>Per Share Ratio of Conversion-Shares of Synovus Common Stock To Ready Common Stock</u>	<u># of Shares</u>
\$23.61 and above	2.6255:1	741,211
23.00	2.6951:1	760,870
22.00	2.8176:1	795,455
21.00	2.9518:1	833,333
20.00	3.0994:1	875,000
19.00	3.2625:1	921,053
18.00 and below	3.4438:1	972,222

In the event the above-described average of the closing prices per share of Synovus Common Stock is greater than \$18.00 per share but less than \$23.61 per share, such conversion ratio shall be interpolated and arrived at in a manner consistent with this Table.

The minimum conversion ratio of shares of Synovus Common Stock for shares of Ready Common Stock upon consummation of the Merger shall be 2.6256:1.

The maximum conversion ratio of shares of Synovus Common Stock for shares of Ready Common Stock upon consummation of the Merger shall be 3.4438:1.