



H20494

ACCOUNT NO. : 072100000032

REFERENCE : 834822 4326591

AUTHORIZATION :

Patricia Pizut

COST LIMIT : \$ 70.00

ORDER DATE : May 28, 1998

ORDER TIME : 4:45 PM

ORDER NO. : 834822-005

CUSTOMER NO: 4326591

CUSTOMER: Amy Eckard, Legal Assistant
Fowler White Gillen Boggs
501 East Kennedy Boulevard
Suite 1700
Tampa, FL 33602

FILED
98 MAY 29 PM 4:28
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF MERGER

200002541602--3

PUBLIC BANK CORPORATION

*Certified
Copy paid
for with Certification section*

INTO
ALABAMA NATIONAL
BANCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

 CERTIFIED COPY
XX PLAIN STAMPED COPY

CONTACT PERSON: Christopher Smith

EXAMINER'S INITIALS:

*gave 5/29 file date per
S.P.*

*6/3
Jon
Merger*

RECEIVED
98 JUN -1 AM 8:44
DIVISION OF CORPORATION

ARTICLES OF MERGER
Merger Sheet

MERGING:

PUBLIC BANK CORPORATION, a Florida corporation, H20494

INTO

ALABAMA NATIONAL BANCORPORATION, a Delaware corporation not
qualified in Florida.

File date: June 1, 1998

Corporate Specialist: Joy Moon-French

Account number: 072100000032

Account charged: 70.00



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

June 1, 1998

CSC
CHRISTOPHER
TALLAHASSEE, FL

SUBJECT: PUBLIC BANK CORPORATION
Ref. Number: H20494

We have received your document for PUBLIC BANK CORPORATION and the authorization to debit your account in the amount of \$70.00. However, the document has not been filed and is being returned for the following:

The names of the persons signing the document must be typed or printed beneath the signature.

The schedules referred to in the Agreement and Plan of Merger must be attached.

Please return 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) 487-6957.

Joy Moon-French
Corporate Specialist

Letter Number: 098A00030630

RESUBMIT

Please give original
submission date as file date.

RECEIVED
JUN 3 1998
AM 8:40

ARTICLES OF MERGER
OF
PUBLIC BANK CORPORATION
(A FLORIDA CORPORATION)

FILED
98 MAY 29 PM 4:28
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

AND

ALABAMA NATIONAL BAN CORPORATION
(A DELAWARE CORPORATION)

To the Department of State
State of Florida

Pursuant to the provisions of the Florida Business Corporation Act, the domestic corporation and the foreign corporation herein named do hereby submit the following articles of merger:

1. The Agreement and Plan of Merger which is attached hereto as Exhibit A is for the purpose of merging Public Bank Corporation, a corporation organized under the laws of the State of Florida (the "Disappearing Corporation"), with and into Alabama National Ban Corporation, a corporation organized under the laws of the State of Delaware (the "Surviving Corporation").

2. The effective date of the merger in the State of Florida shall be May 29, 1998.

3. The Agreement and Plan of Merger was duly adopted by the Board of Directors of the Disappearing Corporation on March 5, 1998 and duly adopted by the shareholders of the Disappearing Corporation at a special meeting duly held on May 27, 1998.

4. The Agreement and Plan of Merger was duly adopted by the Board of Directors of the Surviving Corporation on February 19, 1998 and approval of the Agreement and Plan of Merger by the shareholders of the Surviving Corporation was not required pursuant to Section 607.1103(7), Florida Business Corporation Act.

Executed on May 27, 1998.

PUBLIC BANK CORPORATION

By: P. Douglas Freedle
President, P. Douglas Freedle

ALABAMA NATIONAL BANK CORPORATION

By: John H. Holcomb III
Chairman and CEO, John H. Holcomb III

AGREEMENT AND PLAN OF MERGER

BY AND BETWEEN

PUBLIC BANK CORPORATION

AND

ALABAMA NATIONAL BANCORPORATION

Dated as of

March 5, 1998

[Execution Copy]

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "Agreement") is made and entered into as of March 5, 1998 by and between **PUBLIC BANK CORPORATION ("PBC")**, a corporation organized and existing under the laws of the State of Florida, with its principal office located in St. Cloud, Florida, and **ALABAMA NATIONAL BANK CORPORATION ("ANB")**, a corporation organized and existing under the laws of the State of Delaware, with its principal office located in Birmingham, Alabama.

Preamble

The Boards of Directors of PBC and ANB are of the opinion that the transactions described herein are in the best interests of the parties and their respective stockholders. This Agreement provides for the merger of PBC with and into ANB. At the effective time of such merger, the outstanding shares of the capital stock of PBC shall be converted into the right to receive shares of the common stock of ANB (except as provided herein). As a result, stockholders of PBC shall become stockholders of ANB, and ANB shall continue to conduct the business and operations of PBC. The transactions described in this Agreement are subject to the approvals of the stockholders of PBC, the Florida Department of Banking and Finance and the Board of Governors of the Federal Reserve System, and the satisfaction of certain other conditions described in this Agreement. It is the intention of the parties to this Agreement that the merger (i) for federal income tax purposes shall qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code and (ii) for accounting purposes shall qualify for treatment as a "pooling of interests."

Certain terms used in this Agreement are defined in Section 11.1 of this Agreement.

NOW, THEREFORE, in consideration of the above and the mutual warranties, representations, covenants and agreements set forth herein, the parties agree as follows:

ARTICLE 1 TRANSACTIONS AND TERMS OF MERGER

1.1 Merger. Subject to the terms and conditions of this Agreement, at the Effective Time, PBC shall be merged with and into ANB in accordance with the provisions of Section 252 of the DGCL and Section 607.1107 of the FBCA and with the effect provided in Sections 259 and 261 of the DGCL (the "Merger"). ANB shall be the Surviving Corporation resulting from the Merger and shall continue to be governed by the Laws of the State of Delaware. The

Merger shall be consummated pursuant to the terms of this Agreement, which has been approved and adopted by the ANB Board and the PBC Board.

1.2 Time and Place of Closing. The Closing will take place at 9:00 A.M. on the date that the Effective Time occurs (or the immediately preceding day if the Effective Time is earlier than 9:00 A.M.), or at such other time as the Parties, acting through their chief executive officers or chief financial officers, may mutually agree. The place of Closing shall be at the offices of Maynard, Cooper & Gale, P.C., Birmingham, Alabama, or such other place as may be mutually agreed upon by the Parties.

1.3 Effective Time. The Merger and other transactions provided for in this Agreement shall become effective: (i) on the date and at the time the Certificate of Merger reflecting the Merger shall be accepted for filing by the Secretary of State of the State of Delaware, and the Articles of Merger shall be accepted for filing by the Department of State of Florida, or (ii) on such date and at such time subsequent to the filing of the Certificate of Merger with the Secretary of State of the State of Delaware as may be specified by the Parties in the Certificate of Merger (provided that such subsequent date and time shall not be later than a time on the 30th day after the date that the Certificate of Merger is filed) (the "Effective Time"). Subject to the terms and conditions hereof, unless otherwise mutually agreed upon in writing by the chief executive officers or chief financial officers of each Party, the Parties shall use their reasonable efforts to cause the Effective Time to occur on the last business day of the month in which the later of the following occurs: (i) the effective date (including expiration of any applicable waiting period) of the last required Consent of any Regulatory Authority having authority over and approving or exempting the Merger, and (ii) the date on which the stockholders of PBC approve this Agreement to the extent such approval is required by applicable Law.

ARTICLE 2 **TERMS OF MERGER**

2.1 Certificate of Incorporation. The Certificate of Incorporation of ANB in effect immediately prior to the Effective Time shall be the Certificate of Incorporation of the Surviving Corporation immediately following the Effective Time.

2.2 Bylaws. The Bylaws of ANB in effect immediately prior to the Effective Time shall be the Bylaws of the Surviving Corporation immediately following the Effective Time, until otherwise amended or repealed.

2.3 Directors. The directors of the Surviving Corporation from and after the Effective Time shall consist of the incumbent directors of ANB.

ARTICLE 3

MANNER OF CONVERTING SHARES

3.1 Conversion of Shares. Subject to the provisions of this Article 3, at the Effective Time, by virtue of the Merger and without any action on the part of the holders thereof, the shares of the constituent corporations shall be converted as follows:

(a) Each share of ANB Common Stock issued and outstanding immediately prior to the Effective Time shall remain issued and outstanding from and after the Effective Time.

(b) Subject to subsection 3.1(d) below, each share of PBC Common Stock (excluding shares held by any PBC Company, other than in a fiduciary capacity or as a result of debts previously contracted, and excluding shares held by stockholders who perfect their dissenters' rights of appraisal as provided in Section 3.4 of this Agreement) issued and outstanding at the Effective Time shall cease to be outstanding and shall be converted into and exchanged for the right to receive .2353134 shares of ANB Common Stock (the "Exchange Ratio").

(c) Subject to subsection 3.1(d) below, assuming that no holders of PBC Common Stock exercise their rights under the Dissenter Provisions, the holders of PBC Common Stock (including individuals holding PBC Options) shall receive in the aggregate 550,000 shares of ANB Common Stock.

(d) (i) If the Average Quoted Price is \$24.00 or less, then the Exchange Ratio automatically shall be increased by an amount equal to an additional .010696 shares of ANB Common Stock per share of PBC Common Stock, which, assuming that no holders of PBC Common Stock exercise their rights under the Dissenter Provisions, is the equivalent of an additional 25,000 shares of ANB Common Stock in the aggregate.

(ii) If the Average Quoted Price is below \$25.00, but greater than \$24.00, then the Exchange Ratio automatically shall be increased by an amount equal to (A) .010696 multiplied by (B) a fraction, (x) the numerator of which is the difference between \$25.00 and the Average Quoted Price and (y) the denominator of which is \$1.00 (the "Fraction"), which, assuming that no holders of PBC Common Stock exercise their rights under the Dissenter Provisions, is the equivalent of an additional aggregate number of shares in an amount equal to 25,000 multiplied by the Fraction.

(iii) Notwithstanding anything to the contrary contained in this Section 3.1(d) or otherwise in this Agreement, in no event shall the aggregate upward adjustment (if any) to the Exchange Ratio or the total number of shares of ANB Common Stock to be exchanged hereunder exceed .010696 or 25,000 shares of ANB Common Stock, respectively.

3.2 Anti-Dilution Provisions. In the event PBC changes the number of shares of PBC Common Stock issued and outstanding prior to the Effective Time as a result of a stock split, stock dividend or similar recapitalization with respect to such stock and the record date

therefor shall be prior to the Effective Time, the Exchange Ratio shall be proportionately adjusted. In the event ANB changes the number of shares of ANB Common Stock issued and outstanding prior to the Effective Time as a result of a stock split, stock dividend or similar recapitalization with respect to such stock and the record date therefor shall be prior to the Effective Time, the Exchange Ratio shall be proportionately adjusted.

3.3 Shares Held by PBC. Each of the shares of PBC Common Stock held by any PBC Company, other than in a fiduciary capacity or as a result of debts previously contracted, shall be canceled and retired at the Effective Time and no consideration shall be issued in exchange therefor.

3.4 Dissenting Stockholders. Any holder of shares of PBC Common Stock who perfects his dissenters' rights of appraisal in accordance with and as contemplated by Section 607.1320 of the FBCA (the "Dissenter Provisions") shall be entitled to receive the value of such shares in cash as determined pursuant to such provision of Law; provided, however, that no such payment shall be made to any dissenting stockholder unless and until such dissenting stockholder has complied with the applicable provisions of the FBCA and surrendered to the Surviving Corporation the certificate or certificates representing the shares for which payment is being made; provided, further, nothing contained in this Section 3.4 shall in any way limit the right of ANB to terminate this Agreement and abandon the Merger under Section 10.1(i). In the event that after the Effective Time a dissenting stockholder of PBC fails to perfect, or effectively withdraws or loses, his right to appraisal and of payment for his shares, the Surviving Corporation shall issue and deliver the consideration to which such holder of shares of PBC Common Stock is entitled under this Article 3 (without interest) upon surrender by such holder of the certificate or certificates representing shares of PBC Common Stock held by him.

3.5 Fractional Shares. No certificates or scrip representing fractional shares of ANB Common Stock shall be issued upon the surrender of certificates for exchange; no dividend or distribution with respect to ANB Common Stock shall be payable on or with respect to any fractional share; and such fractional share interests shall not entitle the owner thereof to vote or to any other rights of a stockholder of ANB. In lieu of any such fractional share, ANB shall pay to each former stockholder of PBC who otherwise would be entitled to receive a fractional share of ANB Common Stock an amount in cash (without interest) determined by multiplying (a) the Average Quoted Price by (b) the fraction of a share of ANB Common Stock to which such holder would otherwise be entitled.

ARTICLE 4 EXCHANGE OF SHARES

4.1 Exchange Procedures. No later than five days after the Effective Time, the Surviving Corporation shall cause the Exchange Agent to mail to the former stockholders of PBC appropriate transmittal materials (which shall specify that delivery shall be effected, and risk of loss and title to the certificates theretofore representing shares of PBC Common Stock shall pass, only upon proper delivery of such certificates to the Exchange Agent). If requested, the Exchange Agent shall mail transmittal materials to any shareholder who holds more than ten percent of the outstanding stock of PBC and who requests that such materials be given to him or her prior to the Effective Time and if such materials are returned to the Exchange Agent in proper form with such shareholder's certificates representing PBC Common Stock at least five business days prior to the Effective Time, the Exchange Agent shall deliver to the Shareholder at Closing the consideration specified in Section 3.1 of this Agreement. After the Effective Time, each holder of shares of PBC Common Stock not surrendered at Closing (other than shares to be canceled pursuant to Section 3.3 of this Agreement or as to which dissenters' rights of appraisal have been perfected as provided in Section 3.4 of this Agreement) issued and outstanding at the Effective Time shall surrender the certificate or certificates representing such shares to the Exchange Agent and shall promptly upon surrender thereof receive in exchange therefor the consideration provided in Section 3.1 of this Agreement, together with all undelivered dividends or distributions with respect to such shares (without interest thereon) pursuant to Section 4.2 of this Agreement. To the extent required by Section 3.5 of this Agreement, each holder of shares of PBC Common Stock issued and outstanding at the Effective Time also shall receive, upon surrender of the certificate or certificates representing such shares, cash in lieu of any fractional share of ANB Common Stock to which such holder may be otherwise entitled (without interest). The Surviving Corporation shall not be obligated to deliver the consideration to which any former holder of PBC Common Stock is entitled as a result of the Merger until such holder surrenders his certificate or certificates representing the shares of PBC Common Stock for exchange as provided in this Section 4.1. The certificate or certificates for PBC Common Stock so surrendered shall be duly endorsed as the Exchange Agent may require. Any other provision of this Agreement notwithstanding, neither the Surviving Corporation nor the Exchange Agent shall be liable to a holder of PBC Common Stock for any amounts paid or property delivered in good faith to a public official pursuant to any applicable abandoned property Law.

4.2 Rights of Former PBC Stockholders. At the Effective Time, the stock transfer books of PBC shall be closed as to holders of PBC Common Stock immediately prior to the Effective Time, and no transfer of PBC Common Stock by any such holder shall thereafter be made or recognized. Until surrendered for exchange in accordance with the provisions of Section 4.1 of this Agreement, each certificate theretofore representing shares of PBC Common Stock ("PBC Certificate"), other than shares to be canceled pursuant to Section 3.3 of this Agreement or as to which dissenters' rights of appraisal have been perfected as provided in Section 3.4 of this Agreement, shall from and after the Effective Time represent for all purposes only the right to receive the consideration provided in Sections 3.1 and 3.5 of this Agreement

in exchange therefor. To the extent permitted by Law, former stockholders of record of PBC Common Stock shall be entitled to vote after the Effective Time at any meeting of Surviving Corporation stockholders the number of whole shares of ANB Common Stock into which their respective shares of PBC Common Stock are converted, regardless of whether such holders have exchanged their PBC Certificates for certificates representing ANB Common Stock in accordance with the provisions of this Agreement. Whenever a dividend or other distribution is declared by the Surviving Corporation on the ANB Common Stock, the record date for which is at or after the Effective Time, the declaration shall include dividends or other distributions on all shares issuable pursuant to this Agreement. Notwithstanding the preceding sentence, any person holding any PBC Certificate at or after six (6) months after the Effective Time (the "Cutoff") shall not be entitled to receive any dividend or other distribution payable after the Cutoff to holders of ANB Common Stock, which dividend or other distribution is attributable to such person's ANB Common Stock represented by said PBC Certificate held after the Cutoff, until such person surrenders said PBC Certificate for exchange as provided in Section 4.1 of this Agreement. However, upon surrender of such PBC Certificate, both the ANB Common Stock certificate (together with all such undelivered dividends or other distributions, without interest) and any undelivered cash payments to be paid for fractional share interests (without interest) shall be delivered and paid with respect to each share represented by such PBC Certificate.

4.3 Lost or Stolen Certificates. If any holder of PBC Common Stock convertible into the right to receive shares of ANB Common Stock is unable to deliver the PBC Certificate that represents PBC Common Stock, the Exchange Agent, in the absence of actual notice that any such shares have been acquired by a bona fide purchaser, shall deliver to such holder the shares of ANB Common Stock to which the holder is entitled for such shares upon presentation of the following: (a) evidence to the reasonable satisfaction of ANB that any such PBC Certificate has been lost, wrongfully taken or destroyed; (b) such security or indemnity as may be reasonably requested by ANB to indemnify and hold ANB and the Exchange Agent harmless; and (c) evidence satisfactory to ANB that such person is the owner of the shares theretofore represented by each PBC Certificate claimed by the holder to be lost, wrongfully taken or destroyed and that the holder is the person who would be entitled to present such PBC Certificate for exchange pursuant to this Agreement.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF PBC

PBC hereby represents and warrants to ANB as follows:

5.1 Organization, Standing and Power. PBC is a corporation duly organized, validly existing and in good standing under the Laws of the State of Florida, and has the corporate power and authority to carry on its business as now conducted and to own, lease and operate its Assets and to incur its Liabilities. PBC is duly qualified or licensed to transact business as a foreign corporation in good standing in the states of the United States and foreign jurisdictions where the character of its Assets or the nature or conduct of its business requires

it to be so qualified or licensed, except for such jurisdictions in which the failure to be so qualified or licensed is not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC. PBC has delivered to ANB complete and correct copies of its Articles of Incorporation and Bylaws and the articles of incorporation, bylaws and other, similar governing instruments of each of its Subsidiaries, in each case as amended through the date hereof.

5.2 Authority; No Breach By Agreement.

(a) PBC has the corporate power and authority necessary to execute, deliver and perform its obligations under this Agreement and to consummate the transactions provided for herein. The execution, delivery and performance of this Agreement and the consummation of the transactions provided for herein, including the Merger, have been duly and validly authorized by all necessary corporate action on the part of PBC, subject to the approval of this Agreement by the holders of a majority of the outstanding shares of PBC Common Stock. Subject to such requisite stockholder approval and required regulatory consents, this Agreement represents a legal, valid and binding obligation of PBC, enforceable against PBC in accordance with its terms (except in all cases as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting the enforcement of creditors' rights generally and except that the availability of the equitable remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceeding may be brought).

(b) Neither the execution and delivery of this Agreement by PBC, nor the consummation by PBC of the transactions provided for herein, nor compliance by PBC with any of the provisions hereof, will (i) conflict with or result in a breach of any provision of PBC's Articles of Incorporation or Bylaws, or (ii) constitute or result in a Default under, or require any Consent pursuant to, or result in the creation of any Lien on any Asset of any PBC Company under, any Contract or Permit of any PBC Company where failure to obtain such Consent is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC, or, (iii) subject to receipt of the requisite approvals referred to in Section 9.1(b) of this Agreement, violate any Law or Order applicable to any PBC Company or any of their respective Assets.

(c) Other than in connection or compliance with the provisions of the Securities Laws, applicable state corporate and securities Laws, and other than Consents required from Regulatory Authorities, and other than notices to or filings with the Internal Revenue Service or the Pension Benefit Guaranty Corporation with respect to any employee benefit plans, and other than Consents, filings or notifications which, if not obtained or made, are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC, no notice to, filing with or Consent of, any public body or authority is necessary for the consummation by PBC of the Merger and the other transactions contemplated in this Agreement.

5.3 Capital Stock.

(a) The authorized capital stock of PBC consists of (i) 10,000,000 shares of PBC Common Stock, of which 2,337,309 shares are issued and outstanding, and (ii) 30,000 shares of PBC preferred stock, of which none are issued and outstanding. All of the issued and outstanding shares of capital stock of PBC are duly and validly issued and outstanding and are fully paid and nonassessable under the FBCA. None of the outstanding shares of capital stock of PBC has been issued in violation of any preemptive rights of the current or past stockholders of PBC.

(b) Except as set forth in Section 5.3(a) of this Agreement, there are no shares of capital stock or other equity securities of PBC outstanding and no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into or exchangeable for, shares of the capital stock of PBC or contracts, commitments, understandings or arrangements by which PBC is or may be bound to issue additional shares of its capital stock or options, warrants or rights to purchase or acquire any additional shares of its capital stock. PBC has no liability for dividends declared or accrued, but unpaid, with respect to any of its capital stock.

5.4 PBC Subsidiaries.

(a) The PBC Subsidiaries are Public Bank ("PBC Bank") and Public Mortgage Corporation ("PMC"). PBC Bank is a state non-member bank, duly organized, validly existing and in good standing under the laws of the State of Florida. PMC is an inactive corporation with no assets or business. PBC Bank has the corporate power and authority necessary for it to own, lease and operate its Assets and to incur its Liabilities and to carry on its business as now conducted. PBC Bank is duly qualified or licensed to transact business as a foreign corporation in good standing in the states of the United States and foreign jurisdictions where the character of its Assets or the nature or conduct of its business requires it to be so qualified or licensed, except for jurisdictions in which the failure to be so qualified or licensed is not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC. PBC Bank is an "insured institution" as defined in the Federal Deposit Insurance Act and applicable regulations thereunder.

(b) The authorized and issued and outstanding capital stock of each PBC Subsidiary is set forth on Schedule 5.4. PBC or PBC Bank owns all of the issued and outstanding shares of capital stock of each PBC Subsidiary. No equity securities of any PBC Subsidiary are or may become required to be issued by reason of any options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into or exchangeable for, shares of the capital stock of any such Subsidiary, and there are no Contracts by which any PBC Subsidiary is bound to issue additional shares of its capital stock or options, warrants or rights to purchase or acquire any additional shares of its capital stock or by which any PBC Company is or may be bound to transfer any shares of the capital stock of any PBC Subsidiary. There are no Contracts relating to the rights of any PBC Company to vote or to dispose of any shares of the capital stock of any PBC Subsidiary. All of the shares of capital stock of each PBC Subsidiary held by a PBC Company are fully paid and

nonassessable under the applicable corporation Law of the jurisdiction in which such Subsidiary is incorporated and organized and are owned by the PBC Company free and clear of any Lien. No PBC Subsidiary has any liability for dividends declared or accrued, but unpaid, with respect to any of its capital stock.

5.5 Financial Statements. Attached hereto as Schedule 5.5 are copies of all PBC Financial Statements and PBC Call Reports for periods ended prior to the date hereof, and PBC will deliver to ANB promptly copies of all PBC Financial Statements and PBC Call Reports prepared subsequent to the date hereof. The PBC Financial Statements (as of the dates thereof and for the periods covered thereby) present or will present, as the case may be, fairly the consolidated financial position of the PBC Companies as of the dates indicated and the consolidated results of operations, changes in stockholders' equity and cash flows of the PBC Companies for the periods indicated, in accordance with GAAP (subject to exceptions as to consistency specified therein or as may be indicated in the notes thereto or, in the case of interim financial statements, to normal year-end adjustments that are not material). The PBC Call Reports have been prepared in material compliance with the rules and regulations of the respective federal or state banking regulator with which they were filed.

5.6 Absence of Undisclosed Liabilities. No PBC Company has any Liabilities that have, individually or in the aggregate, a Material Adverse Effect on PBC, except Liabilities accrued or reserved against in the consolidated balance sheets of PBC as of December 31, 1997, included in the PBC Financial Statements or reflected in the notes thereto. No PBC Company has incurred or paid any Liability since December 31, 1997, except for such Liabilities incurred or paid in the ordinary course of business consistent with past business practice and which would not have, individually or in the aggregate, a Material Adverse Effect on PBC, it being understood that the payment of normal, recurring expenses does not have a Material Adverse Effect.

5.7 Absence of Certain Changes or Events. Except as set forth on Schedule 5.7, since December 31, 1997 (i) there have been no events, changes or occurrences that have had, individually or in the aggregate, a Material Adverse Effect on PBC, and (ii) the PBC Companies have not taken any action, or failed to take any action, prior to the date of this Agreement, which action or failure, if taken after the date of this Agreement, would represent or result in a material breach or violation of any of the covenants and agreements of PBC provided in Article 7 of this Agreement.

5.8 Tax Matters.

(a) All Tax returns required to be filed by or on behalf of any of the PBC Companies have been timely filed or requests for extensions have been timely filed, granted and have not expired for periods ended on or before December 31, 1996, and all returns filed are complete and accurate in all material respects. All Taxes shown as due on filed returns have been paid. There is no audit examination, deficiency, refund Litigation or matter in controversy pending, or to the Knowledge of PBC, threatened, with respect to any Taxes that, if adversely determined, would have, individually or in the aggregate, a Material Adverse Effect on PBC, except as reserved against in the PBC Financial Statements delivered prior to the date of this Agreement. All Taxes and other Liabilities due with respect to completed and settled examinations or concluded Litigation have been fully paid.

(b) None of the PBC Companies has executed an extension or waiver of any statute of limitations on the assessment or collection of any Tax due (excluding such statutes that relate to years currently under examination by the Internal Revenue Service or other applicable taxing authorities) that is currently in effect.

(c) Adequate provision for any Taxes due or to become due for any of the PBC Companies for the period or periods through and including the date of the respective PBC Financial Statements has been made and is reflected on such PBC Financial Statements.

(d) Deferred Taxes of the PBC Companies have been provided for in accordance with GAAP.

5.9 Loan Portfolio; Documentation and Reports.

(a) Except as disclosed in Schedule 5.9, none of the PBC Companies is a creditor as to any written or oral loan agreement, note or borrowing arrangement including, without limitation, leases, credit enhancements, commitments and interest-bearing assets (the "Loans"), other than Loans the unpaid principal balance of which does not exceed \$25,000 per Loan or \$50,000 in the aggregate, under the terms of which the obligor is, as of the date of this Agreement, over 90 days delinquent in payment of principal or interest or in default of any other material provisions. Except as otherwise set forth in Schedule 5.9, none of the PBC Companies is a creditor as to any Loan, including without limitation any loan guaranty, to any director, executive officer or 10% stockholder thereof, or to the Knowledge of PBC, any Person, corporation or enterprise controlling, controlled by or under common control of any of the foregoing. Except as set forth in Schedule 5.9, none of the PBC Companies holds any Loans in the original principal amount in excess of \$25,000 per Loan or \$50,000 in the aggregate that since January 1, 1995 have been classified by any bank examiner, whether regulatory or internal, as other loans Specifically Mentioned, Special Mention, Substandard, Doubtful, Loss, Classified, Criticized, Credit Risk Assets, concerned loans or words of similar import.

(b) The documentation relating to each Loan made by any PBC Company and to all security interests, mortgages and other liens with respect to all collateral for loans is adequate for the enforcement of the material terms of such Loan, security interest, mortgage or other lien, except for inadequacies in such documentation which will not, individually or in the aggregate, have a Material Adverse Effect on PBC.

(c) Each of the PBC Companies has timely filed all material reports, registrations and statements, together with any amendments required to be made with respect thereto, that it was required to file since December 31, 1992 with (i) the FRB, (ii) the FDIC and (iii) any state regulatory authority ("State Regulator") (collectively "Regulatory Authorities") and all other material reports and statements required to be filed by it since December 31, 1992, including, without limitation, any report or statement required to be filed pursuant to the laws, rules or regulations of the United States, the FRB, the FDIC or any State Regulator, and has paid all fees and assessments due and payable in connection therewith. Except as set forth in Schedule 5.9 and as otherwise provided herein, and except for normal examinations conducted by a Regulatory Authorities in the regular course of the business of the PBC Companies, to the Knowledge of PBC, no Regulatory Authority has initiated any proceeding or, to the Knowledge of PBC, investigation into the business or operations of any PBC Company since December 31, 1991. To the Knowledge of PBC, there is no unresolved violation, criticism or exception by any Regulatory Authority with respect to any report or statement or lien or any examinations of any PBC Company.

5.10 Assets; Insurance. The PBC Companies have marketable title, free and clear of all Liens, to all of their respective Assets, except as noted in the PBC Financial Statements, statutory liens not yet delinquent, or immaterial defects in title and encumbrances which do not materially impair the value or use for the purposes for which they are held. One of the PBC Companies has good and marketable fee simple title to the real property described in Schedule 5.10(a) and has an enforceable leasehold interest in the real property described in Schedule 5.10(b), if any. All Assets that are material to PBC's business on a consolidated basis, held under leases or subleases by any of the PBC Companies are to the Knowledge of PBC held under valid Contracts enforceable against PBC and to the Knowledge of PBC against the other party thereto in accordance with their respective terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or other Laws affecting the enforcement of creditors' rights generally and except that the availability of the equitable remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceedings may be brought), and to the Knowledge of PBC each such Contract is in full force and effect and to the Knowledge of PBC there is not under any such Contract any Default or claim of Default by PBC or PBC Bank or, to the Knowledge of PBC, by any other party to the Contract. Schedule 5.10(c) contains a list of all policies of fire, theft, liability and other insurance maintained with respect to the Assets or businesses of the PBC Companies and the fidelity and blanket bonds maintained by any of the PBC Companies. The Assets of the PBC Companies include in all material respects all assets required to operate the business of the PBC Companies as now conducted.

5.11 Environmental Matters.

(a) To the Knowledge of PBC, each PBC Company, its Participation Facilities and its Loan Properties are, and have been, in compliance with all Environmental Laws, except for violations that are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC.

(b) There is no Litigation pending or, to the Knowledge of PBC, threatened before any court, governmental agency or authority or other forum in which any PBC Company or any of its Participation Facilities has been or, with respect to threatened Litigation, may be named as a defendant (i) for alleged noncompliance (including by any predecessor) with any Environmental Law or (ii) relating to the release into the environment of any Hazardous Material (as defined below) or oil, whether or not occurring at, on, under or involving a site owned, leased or operated by any PBC Company or any of its Participation Facilities, except for such Litigation pending or threatened that is not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC.

(c) There is no Litigation pending or, to the Knowledge of PBC, threatened before any court, governmental agency or board or other forum in which any of its Loan Properties (or PBC with respect to such Loan Property) has been or, with respect to threatened Litigation, may be named as a defendant or potentially responsible party (i) for alleged noncompliance (including by any predecessor) with any Environmental Law or (ii) relating to the release into the environment of any Hazardous Material or oil, whether or not occurring at, on, under or involving a Loan Property, except for such Litigation pending or threatened that is not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC.

(d) To the Knowledge of PBC, there is no reasonable basis for any Litigation of a type described in subsections (b) or (c), except such as is not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC.

(e) To the Knowledge of PBC, during the period of (i) any PBC Company's ownership or operation of any of its respective current properties, (ii) any PBC Company's participation in the management of any Participation Facility or (iii) any PBC Company's holding of a security interest in a Loan Property, there have been no releases of Hazardous Material or oil in, on, under or affecting such properties, except such as are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC. Prior to the period of (i) any PBC Company's ownership or operation of any of its respective current properties, (ii) any PBC Company's participation in the management of any Participation Facility, or (iii) any PBC Company's holding of a security interest in a Loan Property, to the Knowledge of PBC, there were no releases of Hazardous Material or oil in, on, under or affecting any such property, Participation Facility or Loan Property, except such as would not have, individually or in the aggregate, a Material Adverse Effect on PBC.

5.12 Compliance with Laws. PBC is duly registered as a bank holding company under the BHC Act. Each PBC Company has in effect all Permits necessary for it to own, lease or operate its Assets and to carry on its business as now conducted, except for those Permits the absence of which are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC, and there has occurred no Default under any such Permit except for those which would not have a Material Adverse Effect on PBC. Except as may be disclosed on Schedule 5.12, none of the PBC Companies:

(a) is in violation of any Laws, Orders or Permits applicable to its business or employees conducting its business, except for violations that do not have, individually or in the aggregate, a Material Adverse Effect on PBC; or

(b) has received any notification or communication from any agency or department of federal, state or local government or any Regulatory Authority or the staff thereof (i) asserting that any PBC Company is not in compliance with any of the Laws or Orders that such governmental authority or Regulatory Authority enforces, where such noncompliance is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC, (ii) threatening to revoke any Permits, the revocation of which would have, individually or in the aggregate, a Material Adverse Effect on PBC, or (iii) requiring any PBC Company to enter into or consent to the issuance of a cease and desist order, formal agreement, directive, commitment or memorandum of understanding, or to adopt any board resolution or similar undertaking, that restricts materially the conduct of its business, or in any manner relates to its capital adequacy, its credit or reserve policies, its management or the payment of dividends.

5.13 Labor Relations; Employees.

(a) No PBC Company is the subject of any Litigation asserting that it or any other PBC Company has committed an unfair labor practice (within the meaning of the National Labor Relations Act or comparable state Law) or seeking to compel it or any other PBC Company to bargain with any labor organization as to wages or conditions of employment, nor is there any strike or other labor dispute involving any PBC Company, pending or threatened, nor to its Knowledge, is there any activity involving any PBC Company's employees seeking to certify a collective bargaining unit or engaging in any other organization activity.

(b) Schedule 5.13(b) contains a true and complete list showing the names and current annual salaries of all current executive officers of each of the PBC Companies and lists for each such person the amounts paid, payable or expected to be paid as salary, bonus payments and other compensation for 1996 and 1997. Schedule 5.13(b) also sets forth the name and offices held by each officer and director of each of the PBC Companies.

5.14 Employee Benefit Plans.

(a) Schedule 5.14 lists, and PBC has delivered or made available to ANB prior to the execution of this Agreement copies of, all pension, retirement, profit-sharing, deferred compensation, stock option, employee stock ownership, severance pay, vacation, bonus or other incentive plan, all other written or unwritten employee programs, arrangements or agreements, all medical, vision, dental or other health plans, all life insurance plans, and all other employee benefit plans or fringe benefit plans, including, without limitation, "employee benefit plans" as that term is defined in Section 3(3) of ERISA, currently adopted, maintained by, sponsored in whole or in part by, or contributed to by any PBC Company or Affiliate thereof for the benefit of employees, retirees, dependents, spouses, directors, independent contractors or other beneficiaries and under which employees, retirees, dependents, spouses, directors, independent contractors or other beneficiaries are eligible to participate (collectively, the "PBC Benefit Plans"). Any of the PBC Benefit Plans which is an "employee pension benefit plan," as that term is defined in Section 3(2) of ERISA, is referred to herein as a "PBC ERISA Plan." Each PBC ERISA Plan which is also a "defined benefit plan" (as defined in Section 414(j) of the Internal Revenue Code) is referenced to herein as an "PBC Pension Plan". No PBC Pension Plan is or has been a multiemployer plan within the meaning of Section 3(37) of ERISA.

(b) All PBC Benefit Plans and the administration thereof are in compliance with the applicable terms of ERISA, the Internal Revenue Code and any other applicable Laws, the breach or violation of which would have, individually or in the aggregate, a Material Adverse Effect on PBC. Each PBC ERISA Plan which is intended to be qualified under Section 401(a) of the Internal Revenue Code has received a favorable determination letter from the Internal Revenue Service, and PBC is not aware of any circumstances that would result in revocation of any such favorable determination letter. To the Knowledge of PBC, no PBC Company has engaged in a transaction with respect to any PBC Benefit Plan that, assuming the taxable period of such transaction expired as of the date hereof, would subject any PBC Company to a tax or penalty imposed by either Section 4975 of the Internal Revenue Code or Section 502(i) of ERISA in amounts which are reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC. There are no actions, suits, arbitrations or claims, including any investigations or audits by the Internal Revenue Service or any other governmental authority, pending (other than routine claims for benefits) or to the Knowledge of PBC threatened against, any PBC Benefit Plan or any PBC Company with regard to any PBC Benefit Plan, any trust which is a part of any PBC Benefit Plan, any trustee, fiduciary, custodian, administrator or other person or entity holding or controlling assets of any PBC Benefit Plan.

(c) No PBC ERISA Plan which is a defined benefit pension plan has any "unfunded current liability," as that term is defined in Section 302(d)(8)(A) of ERISA, and the fair market value of the assets of any such plan exceeds the plan's "benefit liabilities," as that term is defined in Section 4001(a)(16) of ERISA, when determined under actuarial factors that would apply if the plan terminated in accordance with all applicable legal requirements. Since the date of the most recent actuarial valuation, there has been (i) no material change in the financial position of any PBC Pension Plan, (ii) no change in the actuarial assumptions with respect to

any PBC Pension Plan, (iii) no increase in benefits under any PBC Pension Plan as a result of plan amendments or changes in applicable Law which is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC or to materially adversely affect the funding status of any such plan. Neither any PBC Pension Plan nor any "single-employer plan," within the meaning of Section 4001(a)(15) of ERISA, currently or formerly maintained by any PBC Company, or the single-employer plan of any entity which is considered one employer with PBC under Section 4001 of ERISA or Section 414 of the Internal Revenue Code or Section 302 of ERISA (whether or not waived) (an "ERISA Affiliate") has an "accumulated funding deficiency" within the meaning of Section 412 of the Internal Revenue Code or Section 302 of ERISA, which is reasonably likely to have a Material Adverse Effect on PBC. No PBC Company has provided, or is required to provide, security to a PBC Pension Plan or to any single-employer plan of an ERISA Affiliate pursuant to Section 401(a)(29) of the Code.

(d) No Liability under Subtitle C or D of Title IV of ERISA has been or is expected to be incurred by any PBC Company with respect to any ongoing, frozen or terminated single-employer plan or the single-employer plan of any ERISA Affiliate, which Liability is reasonably likely to have a Material Adverse Effect on PBC. No PBC Company has incurred any withdrawal Liability with respect to a multiemployer plan under Subtitle B of Title IV of ERISA (regardless of whether based on contributions of an ERISA Affiliate), which Liability is reasonably likely to have a Material Adverse Effect on PBC. No notice of a "reportable event," within the meaning of Section 4043 of ERISA for which the 30-day reporting requirement has not been waived, has been required to be filed for any PBC Pension Plan or by any ERISA Affiliate within the 12-month period ending on the date hereof.

(e) No PBC Company has any obligations for retiree health and life benefits under any of the PBC Benefit Plans, and there are no restrictions on the rights of such PBC Company to amend or terminate any such plan without incurring any Liability thereunder, which Liability is reasonably likely to have a Material Adverse Effect on PBC.

(f) Neither the execution and delivery of this Agreement nor the consummation of the transactions provided for herein will (i) result in any payment (including, without limitation, severance, unemployment compensation, golden parachute or otherwise) becoming due to any director or any employee of any PBC Company from any PBC Company under any PBC Benefit Plan or otherwise, (ii) increase any benefits otherwise payable under any PBC Benefit Plan, or (iii) result in any acceleration of the time of payment or vesting of any such benefit, where such payment, increase or acceleration is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC.

(g) With respect to all PBC Benefit Plans (whether or not subject to ERISA and whether or not qualified under Section 401(a) of the Internal Revenue Code), all contributions due (including any contributions to any trust account or payments due under any insurance policy) previously declared or otherwise required by Law or contract to have been made and any employer contributions (including any contributions to any trust account or payments due under any insurance policy) accrued but unpaid as of the date hereof will be paid by the time required

by Law or contract. All contributions made or required to be made under any PBC Benefit Plan have been made and such contributions meet the requirements for deductibility under the Internal Revenue Code, and all contributions which are required and which have not been made have been properly recorded on the books of PBC.

5.15 Material Contracts. Except as set forth on Schedule 5.15, none of the PBC Companies, nor any of their respective Assets, businesses or operations, is a party to, or is bound or affected by, or receives benefits under, (i) any employment, severance, termination, consulting or retirement Contract with any Person; (ii) any Contract relating to the borrowing of money by any PBC Company or the guarantee by any PBC Company of any such obligation (other than Contracts evidencing deposit liabilities, purchases of federal funds, fully-secured repurchase agreements, trade payables and Contracts relating to borrowings or guarantees made and letters of credit); (iii) any Contract relating to indemnification or defense of any director, officer or employee of any of the PBC Companies or any other Person, except as may be provided in an PBC Company's articles of incorporation or bylaws; (iv) any Contract with any labor union; (v) any Contract relating to the disposition or acquisition of any interest in any business enterprise; (vi) any Contract relating to the extension of credit to, provision of services for, sale, lease or license of Assets to, engagement of services from, or purchase, lease or license of Assets from, any 5% stockholder, director or officer of any of the PBC Companies, any member of the immediate family of the foregoing or, to the Knowledge of PBC, any related interest (as defined in Regulation O promulgated by the FRB) ("Related Interest") of any of the foregoing, except with regard to deposit accounts; (vii) any Contract (A) which limits the freedom of any of the PBC Companies to compete in any line of business or with any Person or (B) which limits the freedom of any other Person to compete in any line of business with any PBC Company; (viii) any Contract providing a power of attorney or similar authorization given by any of the PBC Companies, except as issued in the ordinary course of business with respect to routine matters; and (ix) any Contract (other than deposit agreements and certificates of deposits issued to customers entered into in the ordinary course of business and letters of credit) that involves the payment by any of the PBC Companies of amounts aggregating \$5,000 or more in any twelve-month period (together with all Contracts referred to in Sections 5.10 and 5.14(a) of this Agreement, the "PBC Contracts"). None of the PBC Companies is in material Default under any PBC Contract which is material to PBC's business. All of the indebtedness of any PBC Company for money borrowed is prepayable at any time by such PBC Company without penalty or premium.

5.16 Legal Proceedings. Except as set forth on Schedule 5.16, there is no Litigation instituted or pending, or, to the Knowledge of PBC, threatened (or unasserted but considered probable of assertion and which if asserted would have at least a reasonable probability of an unfavorable outcome) against any PBC Company, or against any Asset, interest, or right of any of them, that, if adversely determined, would have, individually or in the aggregate, a Material Adverse Effect on PBC, nor are there any Orders of any Regulatory Authorities, other governmental authorities or arbitrators outstanding against any PBC Company, that, if adversely determined, would have, individually or in the aggregate, a Material Adverse Effect on PBC.

5.17 Reports. Since January 1, 1995, or the date of organization if later, each PBC Company has timely filed all reports and statements, together with any amendments required to be made with respect thereto, that it was required to file with (i) any Regulatory Authorities or (ii) any applicable state securities or banking authorities (except failures to file or late filings which are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on PBC). As of their respective dates, each of such reports and documents, including the financial statements, exhibits, and schedules thereto, complied in all material respects with all applicable Laws except for such failures to comply which will not have a Material Adverse Effect on PBC.

5.18 Statements True and Correct. No representation, warranty, covenant or other statement by any PBC Company or any Affiliate thereof contained in this Agreement, the Exhibits and Schedules hereto, or any other document, agreement or instrument delivered by a PBC Company to ANB in connection with the Closing contains or will contain any untrue statement of material fact or will omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. None of the information supplied or to be supplied by any PBC Company or any Affiliate thereof for inclusion in the documents to be prepared by ANB in connection with the transactions provided for in this Agreement, including without limitation (i) documents to be filed with the SEC, including without limitation the Registration Statement on Form S-4 of ANB registering the shares of ANB Common Stock to be offered to the holders of PBC Common Stock, and all amendments thereto (as amended, the "S-4 Registration Statement") and the Proxy Statement and Prospectus in the form contained in the S-4 Registration Statement, and all amendments and supplements thereto (as amended and supplemented, the "Proxy Statement/Prospectus"), (ii) filings pursuant to any state securities and blue sky Laws, and (iii) filings made in connection with the obtaining of Consents from Regulatory Authorities, in the case of the S-4 Registration Statement, at the time the S-4 Registration Statement is declared effective pursuant to the 1933 Act, in the case of the Proxy Statement/Prospectus, at the time of the mailing thereof and at the time of the meeting of stockholders to which the Proxy Statement/Prospectus relates, and in the case of any other documents, the time such documents are filed with a Regulatory Authority and/or at the time they are distributed to stockholders of ANB or PBC, contains or will contain any untrue statement of a material fact or fails to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. All documents that any PBC Company or any Affiliate thereof is responsible for filing with any Regulatory Authority in connection with the transactions provided for herein will comply as to form in all material respects with the provisions of applicable Law, except no representation is made regarding information supplied by ANB for inclusion therein.

5.19 Regulatory Matters. To the Knowledge of PBC, no PBC Company or any Affiliate thereof has taken any action or has any Knowledge of any fact or circumstance that is reasonably likely to materially impede or delay receipt of any Consents of Regulatory Authorities referred to in Section 9.1(b) of this Agreement or result in the imposition of a condition or restriction of the type referred to in the last sentence of such Section.

5.20 Offices. The headquarters of each PBC Company and each other office, branch or facility maintained and operated by each PBC Company (including without limitation representative and loan production offices and operations centers) and the locations thereof are listed on Schedule 5.20. Except as set forth on Schedule 5.20, none of the PBC Companies maintains any other office or branch or conducts business at any other location, or has applied for or received permission to open any additional office or branch or to operate at any other location.

5.21 Data Processing Systems. Public Bank does check processing on its owned equipment utilizing software provided by Kirchman Corporation pursuant to a licensing agreement dated August 5, 1994 (the "Kirchman Licensing Agreement"). The Kirchman Licensing Agreement is a valid and binding agreement enforceable against Public Bank and, to the Knowledge of Public Bank, against Kirchman in accordance with its terms, except in all cases as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting the enforcement of creditors' rights generally and except that the availability of the equitable remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceeding may be brought, and to the Knowledge of PBC the software licensed pursuant to the Kirchman Licensing Agreement is performing in accordance with the specifications set forth in the Kirchman Licensing Agreement.

5.22 Administration of Trust Accounts. PBC Bank does not possess and does not exercise trust powers.

5.23 Broker's Fees. Neither PBC nor any of its Subsidiaries nor any of their respective officers or directors has employed any broker or finder or incurred any liability for any broker's fees, commissions or finder's fees in connection with any of the transactions provided for in this Agreement.

5.24 Opinion of Counsel. PBC has no Knowledge of any facts that would preclude issuance of the opinion of counsel referred to in Section 9.2(d).

5.25 Takeover Laws. PBC has taken all action required to be taken by it in order to exempt this Agreement and the transactions provided for hereby and this Agreement and the transactions provided for hereby are exempt from, the requirements of any "moratorium", "control share", "fair price" or other anti-takeover laws and regulations (collectively, "Takeover Laws") of the State of Florida, including Sections 607.0901 and 607.0902 of the FBCA.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF ANB

ANB hereby represents and warrants to PBC as follows:

6.1 Organization, Standing and Power. ANB is a corporation duly organized, validly existing, and in good standing under the Laws of the State of Delaware, and has the corporate power and authority to carry on its business as now conducted and to own, lease and operate its Assets and to incur its Liabilities. ANB is duly qualified or licensed to transact business as a foreign corporation in good standing in the states of the United States and foreign jurisdictions where the character of its Assets or the nature or conduct of its business requires it to be so qualified or licensed, except for such jurisdictions in which the failure to be so qualified or licensed is not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB. ANB has delivered to PBC complete and correct copies of its Certificate of Incorporation and Bylaws and the articles of incorporation, bylaws and other, similar governing instruments of each of its Subsidiaries, in each case as amended through the date hereof.

6.2 Authority; No Breach By Agreement.

(a) ANB has the corporate power and authority necessary to execute, deliver and perform its obligations under this Agreement and to consummate the transactions provided for herein. The execution, delivery and performance of this Agreement and the consummation of the transactions provided for herein, including the Merger, have been duly and validly authorized by all necessary corporate action on the part of ANB. Subject to required regulatory consents, this Agreement represents a legal, valid and binding obligation of ANB, enforceable against ANB in accordance with its terms (except in all cases as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting the enforcement of creditors' rights generally and except that the availability of the equitable remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceeding may be brought).

(b) Neither the execution and delivery of this Agreement by ANB, nor the consummation by ANB of the transactions provided for herein, nor compliance by ANB with any of the provisions hereof, will (i) conflict with or result in a breach of any provision of ANB's Certificate of Incorporation or Bylaws, or (ii) constitute or result in a Default under, or require any Consent pursuant to, or result in the creation of any Lien on any Asset of any ANB Company under, any Contract or Permit of any ANB Company, where failure to obtain such Consent is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB, or, (iii) subject to receipt of the requisite approvals referred to in Section 9.1(b) of this Agreement, violate any Law or Order applicable to any ANB Company or any of their respective Assets.

(c) Other than in connection or compliance with the provisions of the Securities Laws, applicable state corporate and securities Laws, and rules of the NASD, and other than Consents required from Regulatory Authorities, and other than notices to or filings with the Internal Revenue Service or the Pension Benefit Guaranty Corporation with respect to any employee benefit plans, and other than Consents, filings or notifications which, if not obtained or made, are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB, no notice to, filing with or Consent of, any public body or authority is necessary for the consummation by ANB of the Merger and the other transactions contemplated in this Agreement.

6.3 Capital Stock. The authorized capital stock of ANB consists of (i) 10,000,000 shares of ANB Common Stock, of which 8,648,120 shares are issued and outstanding, and (ii) 100,000 shares of preferred stock, \$1.00 par value per share, none of which is issued and outstanding. All of the issued and outstanding shares of ANB Common Stock are, and all of the shares of ANB Common Stock to be issued in exchange for shares of PBC Common Stock upon consummation of the Merger, when issued in accordance with the terms of this Agreement, will be, duly and validly issued and outstanding and fully paid and nonassessable under the DGCL. None of the outstanding shares of ANB Common Stock has been, and none of the shares of ANB Common Stock to be issued in exchange for shares of PBC Common Stock upon consummation of the Merger will be, issued in violation of any preemptive rights of the current or past stockholders of ANB. ANB has granted options to purchase no more than 411,037 shares of ANB Common Stock under the ANB Stock Plan. On April 25, 1996, the ANB Board terminated the ANB Stock Plans. In addition, in 1996, ANB adopted a Performance Share Plan and a Deferred Compensation Plan for Directors who are not Employees of ANB, pursuant to which additional shares of ANB Common Stock have been and will continue to be awarded or issued, as the case may be. Schedule 6.3 contains a description of each of these plans, including without limitation the number of shares reserved, the number of shares currently awarded and the potential future obligation with respect thereto.

6.4 ANB Subsidiaries.

(a) The ANB Subsidiaries owned directly by ANB are Alabama Exchange Bank; First Citizens Bank, National Association; First American Bank; Citizens & Peoples Bank, National Association; Bank of Dadeville; First Gulf Bank and National Bank of Commerce of Birmingham. First Citizens Bank, National Association, Citizens & Peoples Bank, National Association and National Bank of Commerce of Birmingham are national banking associations duly organized and validly existing under the Laws of the United States of America. Each of Alabama Exchange Bank, Bank of Dadeville and First Gulf Bank is a state member bank of the Federal Reserve System, duly organized and validly existing under the Laws of the State of Alabama. First American Bank is a state non-member bank, duly organized and validly existing under the laws of the State of Alabama. Each ANB Subsidiary is in good standing under the Laws of the jurisdiction in which it is incorporated or organized, and each ANB Subsidiary has the corporate power and authority necessary for it to own, lease and operate its Assets and to incur its Liabilities and to carry on its business as now conducted. Each ANB Subsidiary is duly qualified or licensed to transact business as a foreign corporation in good standing in the States

of the United States and foreign jurisdictions where the character of its Assets or the nature or conduct of its business requires it to be so qualified or licensed, except for jurisdictions in which the failure to be so qualified or licensed is not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB. Each ANB Subsidiary that is a depository institution is an "insured institution" as defined in the Federal Deposit Insurance Act and applicable regulations thereunder.

(b) ANB or one of its Subsidiaries owns greater than 99% of the issued and outstanding shares of capital stock of each ANB Subsidiary. No equity securities of any ANB Subsidiary are or may become required to be issued by reason of any options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into or exchangeable for, shares of the capital stock of any such Subsidiary, and there are no Contracts by which any ANB Subsidiary is bound to issue additional shares of its capital stock or options, warrants or rights to purchase or acquire any additional shares of its capital stock or by which any ANB Company is or may be bound to transfer any shares of the capital stock of any ANB Subsidiary. There are no Contracts relating to the rights of any ANB Company to vote or to dispose of any shares of the capital stock of any ANB Subsidiary. All of the shares of capital stock of each ANB Subsidiary held by an ANB Company are fully paid and nonassessable under the applicable corporation Law of the jurisdiction in which such Subsidiary is incorporated or organized and are owned by the ANB Company free and clear of any Lien. No ANB Subsidiary has any liability for dividends declared or accrued, but unpaid, with respect to any of its capital stock.

6.5 Financial Statements. Attached hereto as Schedule 6.5 are copies of all ANB Financial Statements and ANB Regulatory Reports for periods ended prior to the date hereof and ANB will deliver to PBC promptly copies of all ANB Financial Statements and ANB Regulatory Reports prepared subsequent to the date hereof. The ANB Financial Statements (as of the dates thereof and for the periods covered thereby) present or will present, as the case may be, fairly the consolidated financial position of the ANB Companies as of the dates indicated and the consolidated results of operations, changes in stockholders' equity, and cash flows of the ANB Companies for the periods indicated, in accordance with GAAP (subject to exceptions as to consistency specified therein or as may be indicated in the notes thereto or, in the case of interim financial statements, to normal year-end adjustments that are not material). The ANB Regulatory Reports have been prepared in material compliance with the rules and regulations of the FRB.

6.6 Absence of Undisclosed Liabilities. No ANB Company has any Liabilities that have, individually or in the aggregate, a Material Adverse Effect on ANB, except Liabilities accrued or reserved against in the consolidated balance sheets of ANB as of September 30, 1997 included in the ANB Financial Statements or reflected in the notes thereto. No ANB Company has incurred or paid any Liability since September 30, 1997, except for such Liabilities incurred or paid in the ordinary course of business consistent with past business practice and which do not have, individually or in the aggregate, a Material Adverse Effect on ANB.

6.7 Absence of Certain Changes or Events. Except as set forth on Schedule 6.7, since September 30, 1997 (i) there have been no events, changes or occurrences that have had, or are reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB, and (ii) the ANB Companies have not taken any action, or failed to take any action, prior to the date of this Agreement, which action or failure, if taken after the date of this Agreement, would represent or result in a material breach or violation of any of the covenants and agreements of ANB provided in Article 7 of this Agreement.

6.8 Tax Matters.

(a) All Tax returns required to be filed by or on behalf of any of the ANB Companies have been timely filed or requests for extensions have been timely filed, granted, and have not expired for periods ended on or before December 31, 1996, and all returns filed are complete and accurate in all material respects. All Taxes shown as due on filed returns have been paid. There is no audit examination, deficiency, refund Litigation or matter in controversy pending, or, to the Knowledge of ANB, threatened, with respect to any Taxes that, if adversely determined, would have, individually or in the aggregate, a Material Adverse Effect on ANB, except as reserved against in the ANB Financial Statements delivered prior to the date of this Agreement. All Taxes and other Liabilities due with respect to completed and settled examinations or concluded Litigation have been fully paid.

(b) None of the ANB Companies has executed an extension or waiver of any statute of limitations on the assessment or collection of any Tax due (excluding such statutes that relate to years currently under examination by the Internal Revenue Service or other applicable taxing authorities) that is currently in effect.

(c) Adequate provision for any Taxes due or to become due for any of the ANB Companies for the period or periods through and including the date of the respective ANB Financial Statements has been made and is reflected on such ANB Financial Statements.

(d) Deferred Taxes of the ANB Companies have been provided for in accordance with GAAP.

6.9 Intentionally Omitted.

6.10 Assets; Insurance. The ANB Companies have marketable title, free and clear of all Liens, to all of their respective Assets except as noted in the ANB Financial Statements, statutory liens not yet delinquent, or immaterial defects in title and encumbrances which do not materially impair the value or the use for the purposes for which they are held. All Assets which are material to ANB's business on a consolidated basis, held under leases or subleases by any of the ANB Companies, are to the Knowledge of ANB held under valid Contracts enforceable against ANB and, to the Knowledge of ANB, against the other party thereto in accordance with their respective terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or other Laws affecting the enforcement

of creditors' rights generally and except that the availability of the equitable remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceedings may be brought), and, to the Knowledge of ANB, each such Contract is in full force and effect. The policies of fire, theft, liability and other insurance maintained with respect to the Assets or businesses of the ANB Companies provide adequate coverage under current industry practices against loss or Liability, and the fidelity and blanket bonds in effect as to which any of the ANB Companies is a named insured are reasonably sufficient. The Assets of the ANB Companies include in all material respects all assets required to operate the business of the ANB Companies as now conducted.

6.11 Environmental Matters.

(a) To the Knowledge of ANB, each ANB Company, its Participation Facilities and its Loan Properties are, and have been, in compliance with all Environmental Laws, except for violations that are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB.

(b) There is no Litigation pending or, to the Knowledge of ANB, threatened before any court, governmental agency or authority or other forum in which any ANB Company or any of its Participation Facilities has been or, with respect to threatened Litigation, may be named as a defendant (i) for alleged noncompliance (including by any predecessor) with any Environmental Law or (ii) relating to the release into the environment of any Hazardous Material (as defined below) or oil, whether or not occurring at, on, under or involving a site owned, leased or operated by any ANB Company or any of its Participation Facilities, except for such Litigation pending or threatened that is not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB.

(c) There is no Litigation pending or, to the Knowledge of ANB, threatened before any court, governmental agency or board or other forum in which any of its Loan Properties (or ANB in respect of such Loan Property) has been or, with respect to threatened Litigation, may be named as a defendant or potentially responsible party (i) for alleged noncompliance (including by any predecessor) with any Environmental Law or (ii) relating to the release into the environment of any Hazardous Material or oil, whether or not occurring at, on, under or involving a Loan Property, except for such Litigation pending or threatened that is not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB.

(d) To the Knowledge of ANB, there is no reasonable basis for any Litigation of a type described in subsections (b) or (c), except such as is not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB.

(e) To the Knowledge of ANB, during the period of (i) any ANB Company's ownership or operation of any of its respective current properties, (ii) any ANB Company's participation in the management of any Participation Facility or (iii) any ANB Company's holding of a security interest in a Loan Property, there have been no releases of Hazardous

Material or oil in, on, under or affecting such properties, except such as are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB. Prior to the period of (i) any ANB Company's ownership or operation of any of its respective current properties, (ii) any ANB Company's participation in the management of any Participation Facility, or (iii) any ANB Company's holding of a security interest in a Loan Property, to the Knowledge of ANB, there were no releases of Hazardous Material or oil in, on, under or affecting any such property, Participation Facility or Loan Property, except such as would not have, individually or in the aggregate, a Material Adverse Effect on ANB.

6.12 Compliance with Laws. ANB is duly registered as a bank holding company under the BHC Act. Each ANB Company has in effect all Permits necessary for it to own, lease or operate its Assets and to carry on its business as now conducted, except for those Permits the absence of which are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB, and there has occurred no Default under any such Permit, except for those which would not have a Material Adverse Effect on ANB. Except as may be disclosed on Schedule 6.12, none of the ANB Companies:

(a) is in violation of any Laws, Orders or Permits applicable to its business or employees conducting its business, except for violations that do not have, individually or in the aggregate, a Material Adverse Effect on ANB; or

(b) has received any notification or communication from any agency or department of federal, state or local government or any Regulatory Authority or the staff thereof (i) asserting that any ANB Company is not in compliance with any of the Laws or Orders that such governmental authority or Regulatory Authority enforces, where such noncompliance is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB, (ii) threatening to revoke any Permits, the revocation of which would have, individually or in the aggregate, a Material Adverse Effect on ANB, or (iii) requiring any ANB Company to enter into or consent to the issuance of a cease and desist order, formal agreement, directive, commitment or memorandum of understanding, or to adopt any board resolution or similar undertaking, that restricts materially the conduct of its business, or in any manner relates to its capital adequacy, its credit or reserve policies, its management or the payment of dividends.

6.13 Labor Relations. No ANB Company is the subject of any Litigation asserting that it or any other ANB Company has committed an unfair labor practice (within the meaning of the National Labor Relations Act or comparable state Law) or seeking to compel it or any other ANB Company to bargain with any labor organization as to wages or conditions of employment, nor is there any strike or other labor dispute involving any ANB Company, pending or threatened, or to its Knowledge, is there any activity involving any ANB Company's employees seeking to certify a collective bargaining unit or engaging in any other organization activity.

6.14 Employee Benefit Plans.

(a) No ANB Pension Plan is or has been a multiemployer plan within the meaning of Section 3(37) of ERISA.

(b) All ANB Benefit Plans and the administration thereof are in compliance with the applicable terms of ERISA, the Internal Revenue Code and any other applicable Laws the breach or violation of which would have, individually or in the aggregate, a Material Adverse Effect on ANB. Each ANB ERISA Plan which is intended to be qualified under Section 401(a) of the Internal Revenue Code has received a favorable determination letter from the Internal Revenue Service, and ANB is not aware of any circumstances that would result in revocation of any such favorable determination letter. To the Knowledge of ANB, no ANB Company has engaged in a transaction with respect to any ANB Benefit Plan that, assuming the taxable period of such transaction expired as of the date hereof, would subject any ANB Company to a tax or penalty imposed by either Section 4975 of the Internal Revenue Code or Section 502(i) of ERISA in amounts which are reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB. There are no actions, suits, arbitrations or claims, including any investigations or audits by the Internal Revenue Service or any other governmental authority, pending (other than routine claims for benefits) or, to the Knowledge of ANB, threatened against, any ANB Benefit Plan or any ANB Company with regard to any ANB Benefit Plan, any trust which is a part of any ANB Benefit Plan, any trustee, fiduciary, custodian, administrator or other person or entity holding or controlling assets of any ANB Benefit Plan.

(c) No ANB ERISA Plan which is a defined benefit pension plan has any "unfunded current liability," as that term is defined in Section 302(d)(8)(A) of ERISA, and the fair market value of the assets of any such plan exceeds the plan's "benefit liabilities," as that term is defined in Section 4001(a)(16) of ERISA, when determined under actuarial factors that would apply if the plan terminated in accordance with all applicable legal requirements. Since the date of the most recent actuarial valuation, there has been (i) no material change in the financial position of any ANB Pension Plan, (ii) no change in the actuarial assumptions with respect to any ANB Pension Plan, (iii) no increase in benefits under any ANB Pension Plan as a result of plan amendments or changes in applicable Law which is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB or materially adversely affect the funding status of any such plan. Neither any ANB Pension Plan nor any "single-employer plan," within the meaning of Section 4001(a)(15) of ERISA, currently or formerly maintained by any ANB Company, or the single-employer plan of any ERISA Affiliate has an "accumulated funding deficiency" within the meaning of Section 412 of the Internal Revenue Code or Section 302 of ERISA, which is reasonably likely to have a Material Adverse Effect on ANB. No ANB Company has provided, or is required to provide, security to an ANB Pension Plan or to any single-employer plan of an ERISA Affiliate pursuant to Section 401(a)(29) of the Code.

(d) No Liability under Subtitle C or D of Title IV of ERISA has been or is expected to be incurred by any ANB Company with respect to any ongoing, frozen or terminated single-employer plan or the single-employer plan of any ERISA Affiliate, which Liability is reasonably likely to have a Material Adverse Effect on ANB. No ANB Company has incurred any withdrawal Liability with respect to a multiemployer plan under Subtitle B of Title IV of ERISA.

(regardless of whether based on contributions of an ERISA Affiliate), which Liability is reasonably likely to have a Material Adverse Effect on ANB. No notice of a "reportable event," within the meaning of Section 4043 of ERISA for which the 30-day reporting requirement has not been waived, has been required to be filed for any ANB Pension Plan or by any ERISA Affiliate within the 12-month period ending on the date hereof.

(e) No ANB Company has any obligations for retiree health and life benefits under any of the ANB Benefit Plans, and there are no restrictions on the rights of such ANB Company to amend or terminate any such plan without incurring any Liability thereunder, which Liability is reasonably likely to have a Material Adverse Effect on ANB.

(f) Neither the execution and delivery of this Agreement nor the consummation of the transactions provided for herein will (i) result in any payment (including, without limitation, severance, unemployment compensation, golden parachute or otherwise) becoming due to any director or any employee of any ANB Company from any ANB Company under any ANB Benefit Plan or otherwise, (ii) increase any benefits otherwise payable under any ANB Benefit Plan, or (iii) result in any acceleration of the time of payment or vesting of any such benefit, where such payment, increase or acceleration is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB.

(g) With respect to all ANB Benefit Plans (whether or not subject to ERISA and whether or not qualified under Section 401(a) of the Internal Revenue Code), all contributions due (including any contributions to any trust account or payments due under any insurance policy) previously declared or otherwise required by Law or contract to have been made and any employer contributions (including any contributions to any trust account or payments due under any insurance policy) accrued but unpaid as of the date hereof will be paid by the time required by Law or contract. All contributions made or required to be made under any ANB Benefit Plan have been made and such contributions meet the requirements for deductibility under the Internal Revenue Code, and all contributions which are required and which have not been made have been properly recorded on the books of ANB.

6.15 Material Contracts. ANB has filed as an exhibit to its annual report on Form 10-K each Contract required to be so filed under the 1934 Act and the rules and regulations promulgated thereunder. None of the ANB Companies is in Default under any ANB Contract, other than Defaults which are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB. All of the indebtedness of any ANB Company for money borrowed is prepayable at any time by such ANB Company without penalty or premium.

6.16 Legal Proceedings. Except as set forth on Schedule 6.16, there is no Litigation instituted or pending, or, to the Knowledge of ANB, threatened (or unasserted but considered probable of assertion and which if asserted would have at least a reasonable probability of an unfavorable outcome) against any ANB Company, or against any Asset, interest, or right of any of them, that, if adversely determined, would have, individually or in the aggregate, a Material Adverse Effect on ANB, nor are there any Orders of any Regulatory Authorities, other

governmental authorities or arbitrators outstanding against any ANB Company, that, if adversely determined, would have, individually or in the aggregate, a Material Adverse Effect on ANB.

6.17 Reports. Since January 1, 1993, or the date of organization if later, each ANB Company has filed all reports and statements, together with any amendments required to be made with respect thereto, that it was required to file with (i) the SEC, including, but not limited to, Forms 10-K, Forms 10-Q, Forms 8-K, and proxy statements, (ii) other Regulatory Authorities, and (iii) any applicable state securities or banking authorities (except, in the case of state securities authorities, failures to file which are not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on ANB). As of their respective dates, each of such reports and documents, including the financial statements, exhibits, and schedules thereto, complied in all material respects with all applicable Laws. As of its respective date, each such report and document did not, in all material respects, contain any untrue statement of a material fact or omit 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.

6.18 Statements True and Correct. No representation, warranty, covenant or other statement by any ANB Company or any Affiliate thereof contained in this Agreement, the Exhibits or Schedules hereto, or any other document, agreement or instrument delivered by an ANB Company to PBC in connection with the Closing contains or will contain any untrue statement of material fact or will omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. None of the information supplied or to be supplied by any ANB Company or any Affiliate thereof for inclusion in the Proxy Statement/Prospectus to be mailed to PBC's stockholders in connection with the PBC Stockholders' Meeting, and any other documents to be filed by an ANB Company or any Affiliate thereof with the SEC or any other Regulatory Authority in connection with the transactions provided for herein, will, at the respective time such documents are filed, and with respect to the Proxy Statement/Prospectus, when first mailed to the stockholders of PBC, be false or misleading with respect to any material fact, or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or, in the case of the Proxy Statement or any amendment thereof or supplement thereto, at the time of the PBC Stockholders' Meeting be false or misleading with respect to any material fact, or omit to state any material fact necessary to correct any statement in any earlier communication with respect to the solicitation of any proxy for the PBC Stockholders' Meeting. All documents that any ANB Company or any Affiliate thereof is responsible for filing with any Regulatory Authority in connection with the transactions provided for herein will comply as to form in all material respects with the provisions of applicable Law, except no representation is made regarding information supplied by PBC for inclusion therein.

6.19 Regulatory Matters. No ANB Company or any Affiliate thereof has taken any action or has any Knowledge of any fact or circumstance that is reasonably likely to materially impede or delay receipt of any Consents of Regulatory Authorities referred to in Section 9.1(b)

of this Agreement or result in the imposition of a condition or restriction of the type referred to in the last sentence of such Section.

6.20 Administration of Trust Accounts. The ANB Companies have properly administered, in all respects material and which could reasonably be expected to be material to the business, operations or financial condition of the ANB Companies, taken as a whole, all accounts for which they act as a fiduciary, including, but not limited to, accounts for which they serve as a trustee, agent, custodian, personal representative, guardian, conservator or investment advisor, in accordance with the terms of the governing documents and applicable state and federal Law, regulation and common Law. None of the ANB Companies nor any director, officer or employee of the ANB Companies has committed any breach of trust with respect to any such fiduciary account which will have a Material Adverse Effect on ANB. The accounting for each such fiduciary account in the aggregate is true and correct in all material respects and accurately reflects the assets of such fiduciary accounts in all material respects.

6.21 1934 Act Compliance. The Proxy Statement/Prospectus will comply in all material respects with applicable provisions of the 1933 Act and the 1934 Act and the rules and regulations thereunder.

6.22 Opinion of Counsel. ANB has no Knowledge of any facts that would preclude issuance of the opinion of counsel referred to in Section 9.3(d).

ARTICLE 7

CONDUCT OF BUSINESS PENDING CONSUMMATION

7.1 Covenants of Both Parties.

(a) Unless the prior written consent of the other Party shall have been obtained, and except as otherwise expressly provided for herein, each Party shall and shall cause each of its Subsidiaries to (i) preserve intact its business organization, goodwill, relationships with depositors, customers and employees, and Assets and maintain its rights and franchises, and (ii) take no action, except as required by applicable Law, or in accordance with safe and sound banking practice, which would (A) adversely affect the ability of any Party to obtain any Consents required for the transactions provided for herein without imposition of a condition or restriction of the type referred to in the last sentences of Section 9.1(b) or 9.1(c) of this Agreement or (B) adversely affect the ability of any Party to perform its covenants and agreements under this Agreement.

(b) During the period from the date of this Agreement to the Effective Time, each of ANB and PBC shall cause its Designated Representative (and, if necessary, representatives of any of its Subsidiaries) to confer on a regular and frequent basis with the Designated Representative of the other Party hereto and to report on the general status of its and its Subsidiaries' ongoing operations. Each of ANB and PBC shall permit the other Party hereto to

make such investigation of its business or properties and its Subsidiaries and of their respective financial and legal conditions as the investigating Party may reasonably request. Each of ANB and PBC shall promptly notify the other Party hereto concerning (a) any material change in the normal course of its or any of its Subsidiaries' businesses or in the operation of their respective properties or in their respective conditions; (b) any material governmental complaints, investigations or hearings (or communications indicating that the same may be contemplated) or the institution or the threat, to the Knowledge of such Party, of any material Litigation involving it or any of its Subsidiaries; and (c) the occurrence or impending occurrence of any event or circumstance that would cause or constitute a breach of any of the representations, warranties or covenants contained herein; and each of ANB and PBC shall, and shall cause each of their respective Subsidiaries to, use its best efforts to prevent or promptly respond to same. The foregoing notwithstanding, all contacts between ANB personnel and PBC personnel and all requests for information shall be made only to and cleared through the PBC Designated Representative and shall be reasonable in nature and such that they will not unduly interfere with or disrupt PBC's business. ANB shall take reasonable steps to ensure that its employees who can reasonably be expected to have contact with PBC or PBC Bank prior to Closing have knowledge of the procedural requirements of this Section 7.1(b). If after ANB takes such steps, an employee of ANB inadvertently breaches the covenant of ANB set forth herein, ANB shall notify the PBC Designated Representative of such breach as soon as it is discovered and shall take all reasonably requested action to ensure that no further breaches occur. After one such occurrence, any subsequent failure by ANB or its employees to adhere to such procedure shall be deemed a material breach of this Agreement, giving PBC the right to terminate this Agreement upon written notice to ANB.

7.2 Covenants of PBC. From the date of this Agreement until the earlier of the Effective Time or the termination of this Agreement, PBC covenants and agrees that it will not do or agree or commit to do, or permit any of its Subsidiaries to do or agree or commit to do, any of the following without the prior written consent of the chief executive officer, president or chief financial officer of ANB, which consent shall not be unreasonably withheld:

(a) amend the Certificate or Articles of Incorporation, Bylaws or other governing instruments of any PBC Company; or

(b) incur any additional debt obligation or other obligation for borrowed money except in the ordinary course of the business of PBC Subsidiaries consistent with past practices (which shall include, for PBC Subsidiaries that are depository institutions, creation of deposit liabilities, purchases of federal funds, sales of certificates of deposit, advances from the FRB or the Federal Home Loan Bank, entry into repurchase agreements fully secured by U.S. government or agency securities and issuances of letters of credit), or impose, or suffer the imposition, on any share of stock held by any PBC Company of any Lien or permit any such Lien to exist; or

(c) repurchase, redeem or otherwise acquire or exchange, directly or indirectly, any shares, or any securities convertible into any shares, of the capital stock of any PBC Company,

or, declare or pay any dividend or make any other distribution in respect of PBC's capital stock;
or

(d) except for this Agreement, issue, sell, pledge, encumber, enter into any Contract to issue, sell, pledge, or encumber, authorize the issuance of, or otherwise permit to become outstanding, any additional shares of PBC Common Stock or any other capital stock of any PBC Company, or any stock appreciation rights, or any option, warrant, conversion or other right to acquire any such stock, or any security convertible into any shares of such stock; or

(e) adjust, split, combine or reclassify any capital stock of any PBC Company or issue or authorize the issuance of any other securities with respect to or in substitution for shares of its capital stock or sell, lease, mortgage or otherwise encumber any shares of capital stock of any PBC Subsidiary or any Asset other than in the ordinary course of business for reasonable and adequate consideration; or

(f) except as disclosed on Schedule 7.2(f), acquire any direct or indirect equity interest in any Person, other than in connection with (i) foreclosures in the ordinary course of business and (ii) acquisitions of control by a depository institution Subsidiary in its fiduciary capacity; or

(g) grant any increase in compensation or benefits to the employees or officers of any PBC Company, except in accordance with past practices with respect to employees; pay any bonus except in accordance with the provisions of any applicable program or plan adopted by the PBC Board prior to the date of this Agreement; enter into or amend any severance agreements with officers of any PBC Company; grant any material increase in fees or other increases in compensation or other benefits to directors of any PBC Company; or

(h) enter into or amend any employment Contract between any PBC Company and any Person (unless such amendment is required by Law) that the PBC Company does not have the unconditional right to terminate without Liability (other than Liability for services already rendered), at any time on or after the Effective Time; or

(i) adopt any new employee benefit plan of any PBC Company or make any material change in or to any existing employee benefit plans of any PBC Company other than any such change that is required by Law or that, in the opinion of counsel, is necessary or advisable to maintain the tax qualified status of any such plan; or

(j) make any material change in any accounting methods or systems of internal accounting controls, except as may be appropriate to conform to changes in regulatory accounting requirements or GAAP; or

(k) (i) commence any Litigation other than in accordance with past practice, (ii) settle any Litigation involving any Liability of any PBC Company for material money damages or material restrictions upon the operations of any PBC Company, or, (iii) except in the ordinary

course of business, modify, amend or terminate any material Contract or waive, release, compromise or assign any material rights or claims; or

(l) enter into any material transaction or course of conduct not in the ordinary course of business, or not consistent with safe and sound banking practices, or not consistent with applicable Laws; or

(m) fail to file timely any report required to be filed by it with any Regulatory Authority where such failure has a Material Adverse Effect on PBC; or

(n) make any Loan or advance to any 5 % stockholder, director or officer of PBC or any of the PBC Subsidiaries, or any member of the immediate family of the foregoing, or any Related Interest (Known to PBC or any of its Subsidiaries) of any of the foregoing, except for advances under unfunded loan commitments in existence on the date of this Agreement and specifically described on Schedule 7.2(n); or

(o) cancel without payment in full, or modify in any material respect any Contract relating to, any loan or other obligation receivable from any stockholder, director or officer of any PBC Company or any member of the immediate family of the foregoing, or any Related Interest (Known to PBC or any of its Subsidiaries) of any of the foregoing; or

(p) enter into any Contract for services or otherwise with any of the 5 % stockholders, directors, officers or employees of any PBC Company or any member of the immediate family of the foregoing, or any Related Interest (Known to PBC or any of its Subsidiaries) of any of the foregoing; or

(q) modify, amend or terminate any material Contract or waive, release, compromise or assign any material rights or claims, except in the ordinary course of business and for fair consideration; or

(r) file any application to relocate or terminate the operations of any banking office of it or any of its Subsidiaries; or

(s) except in accordance with applicable Law, change its or any of its Subsidiaries' lending, investment, liability management and other material banking policies in any material respect; or

(t) intentionally take any action that would reasonably be expected to jeopardize or delay the receipt of any of the regulatory approvals required in order to consummate the transactions provided for in this Agreement; or

(u) take any action that would cause the transactions provided for in this Agreement to be subject to requirements imposed by any Takeover Law and PBC shall take all necessary steps within its control to exempt (or ensure the continued exemption of) the transactions

provided for in this Agreement from, or if necessary challenge the validity or applicability of, any applicable Takeover Law, as now or hereafter in effect, including, without limitation, Sections 607.0901 and 607.0902 of the FBCA and Takeover Laws of any other State that purport to apply to this Agreement or the transactions provided for herein.

7.3 Covenants of ANB.

(a) From the date of this Agreement until the earlier of the Effective Time or the termination of this Agreement, ANB covenants and agrees that it will not do or agree or commit to do, or permit any of its Subsidiaries to do or agree or commit to do, any of the following without the prior written consent of the chief executive officer, president or chief financial officer of PBC, which consent shall not be unreasonably withheld:

(i) other than the potential acquisition of other financial institutions, enter into any material transaction or course of conduct not in the ordinary course of business, or not consistent with safe and sound banking practices, or not consistent with applicable Laws; or

(ii) intentionally take any action, except as required by applicable Law or safe and sound banking practices, that would reasonably be expected to jeopardize or delay the receipt of any of the regulatory approvals required in order to consummate the transactions contemplated by this Agreement; or

(iii) take any action that would cause ANB to have an insufficient number of shares of ANB Common Stock to fulfill its obligations.

(b) From the date of this Agreement until the earlier of the termination of this Agreement or thirty-six (36) months after the Effective Time, ANB covenants and agrees that it will not do or agree or commit to do, or permit any of its Subsidiaries to do or agree or commit to do, any of the following:

(i) fail to file timely any report required to be filed by it with Regulatory Authorities, including the SEC; or

(ii) take any action that would cause the ANB Common Stock to cease to be traded on the NASDAQ or another National Securities Exchange; provided, however, that any action or transaction in which the ANB Common Stock is converted into cash or another marketable security that is traded on a National Securities Exchange shall not be deemed a violation of this Section 7.3(a)(ii).

(c) If the Merger does not occur, from the date of this Agreement until two (2) years after the termination of this Agreement, ANB covenants and agrees that it will not do or agree or commit to do, or permit any of its Subsidiaries to do or agree or commit to do, any of the

following without the prior written consent of the chief executive officer, president or chief financial officer of PBC:

(i) (A) induce or attempt to induce any employee of PBC or PBC Bank, or Robert Tucker, George A. Leugers, Bonnie E. Lovell, Rina E. Pedretti, Linda York and Paul Johnson (collectively, the "PBC Employees") to leave his or her employment; or (B) employ, attempt to employ or solicit for employment, or assist any person to employ any PBC Employee; provided, however, notwithstanding anything to the contrary contained herein, if the employment of a PBC Employee is terminated for any reason, whether voluntary or involuntary, after the expiration of twelve (12) months thereafter, ANB shall not be prohibited from hiring such PBC Employee; or

(ii) purchase a financial institution whose main office is located in Osceola County, Florida, or allow any of its financial institution Subsidiaries to establish a main office in Osceola County, Florida.

(d) If the Merger does occur, from the date of this Agreement until two (2) years after the Effective Time, ANB covenants and agrees that it will not do or agree or commit to do, or permit any of its Subsidiaries to do or agree or commit to do, any of the following without the prior written consent of Freedle: (i) induce or attempt to induce Robert Tucker, George A. Leugers, Bonnie E. Lovell, Rina E. Pedretti, Linda York and Paul Johnson (collectively, the "Freedle Employees") to leave his or her employment; or (ii) employ, attempt to employ or solicit for employment, or assist any person to employ any Freedle Employee; provided, however, notwithstanding anything to the contrary contained herein, if the employment of a Freedle Employee is terminated for any reason, whether voluntary or involuntary, after the expiration of twelve (12) months thereafter, ANB shall not be prohibited from hiring such Freedle Employee.

7.4 Adverse Changes in Condition. Each Party agrees to give written notice promptly to the other Party upon becoming aware of the occurrence or impending occurrence of any event or circumstance relating to it or any of its Subsidiaries that (i) is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on it or (ii) would cause or constitute a material breach of any of its representations, warranties or covenants contained herein, and to use its commercially reasonable best efforts to prevent or promptly to remedy the same.

7.5 Reports. Each Party and its Subsidiaries shall deliver to the other Party copies of all reports filed with Regulatory Authorities promptly after the same are filed.

7.6 Acquisition Proposals. Except with respect to this Agreement and the transactions provided for herein, PBC expressly agrees that neither PBC nor any of its Subsidiaries, nor any representative retained by PBC or any of its Subsidiaries or any Affiliate thereof will solicit any Acquisition Proposal by any Person until the earlier of the termination of this Agreement or the consummation of the Merger. PBC shall promptly notify ANB orally

and in writing in the event it or any of its Subsidiaries receives any inquiry or proposal of a substantive and ongoing nature from a bona fide purchaser relating to any such transaction.

7.7 NASDAQ Qualification. ANB shall, prior to the Effective Time, secure designation of all ANB Common Stock to be issued in the Merger as a NASDAQ "national market system security" within the meaning of Rule 11Aa2-1 of the SEC.

7.8 Directors' and Officers' Indemnification and D & O Policy Coverage. To the extent, if any, not provided by an existing right of indemnification or other agreement or policy, from and after the Effective Time, ANB shall, to the fullest extent permitted under applicable Law, indemnify, defend and hold harmless the present and former officers and directors of PBC against all losses, expenses (including reasonable attorney's fees), claims, damages or liabilities arising out of actions or omissions occurring at or prior to the Effective Time that are in whole or in part based on, or arising out of the fact that such Person is or was a director or officer of PBC or arising out of or pertaining to the transactions provided for in this Agreement. Additionally, ANB shall keep in place for a period of two (2) years after the Effective Time, for the benefit of all past and present PBC Company officers and directors, indemnity directors and officers liability insurance coverage with a reputable insurance company which coverage shall be at least as comprehensive and at least at the same coverage levels as existed at the PBC Companies immediately prior to the Effective Time and shall provide such officers and directors with insurance coverage for any claims made against such persons which relate to their actions as an officer and/or director of any PBC Company prior to the Effective Time.

ARTICLE 8
ADDITIONAL AGREEMENTS

8.1 Regulatory Matters.

(a) ANB shall promptly prepare and file the S-4 Registration Statement with the SEC. ANB shall use its commercially reasonable best efforts to have the S-4 Registration Statement declared effective under the 1933 Act as promptly as practicable after such filing. PBC shall mail the Proxy Statement/Prospectus to its stockholders simultaneously with delivery of notice of the meeting of stockholders called to approve the Merger. ANB shall also use its commercially reasonable best efforts to obtain all necessary state securities Law or "Blue Sky" permits and approvals required to carry out the transaction provided for in this Agreement, and PBC shall furnish all information concerning PBC and the holders of PBC Common Stock as may be requested in connection with any such action. If at any time prior to the Effective Time of the Merger any event shall occur which should be set forth in an amendment of, or a supplement to, the Proxy Statement/Prospectus, PBC will promptly inform ANB and cooperate and assist ANB in preparing such amendment or supplement and mailing the same to the stockholders of PBC. As of the date of the execution of this Agreement, and assuming the absence of any additional material factors, unless the PBC Board in its good faith judgment determines that it is otherwise required by Law or its fiduciary duties, it is the intent of the PBC Board that the Proxy Statement/Prospectus shall contain the recommendation of the PBC Board in favor of the Merger and, subject to the foregoing, the PBC Board shall recommend that the holders of PBC Common Stock vote for and adopt the Merger provided for in the Proxy Statement/Prospectus and this Agreement.

(b) The Parties shall cooperate with each other and use their commercially reasonable best efforts to promptly prepare and file all necessary documentation, to effect all applications, notices, petitions and filings and to obtain as promptly as practicable all Consents of all third parties and Regulatory Authorities which are necessary or advisable to consummate the transactions contemplated by this Agreement. ANB and PBC shall have the right to review in advance, and to the extent practicable each will consult the other on, in each case subject to applicable Laws relating to the exchange of information, all the information relating to ANB or PBC, as the case may be, and any of their respective Subsidiaries, which appear in any filing made with, or written materials submitted to, any third party or any Regulatory Authority in connection with the transactions contemplated by this Agreement. In exercising the foregoing right, each of the Parties hereto shall act reasonably and as promptly as practicable. The Parties hereto agree that they will consult with each other with respect to the obtaining of all Permits and Consents, approvals and authorizations of all third parties and Regulatory Authorities necessary or advisable to consummate the transactions provided for in this Agreement, and each Party will keep the other apprised of the status of matters relating to completion of the transactions provided for in this Agreement.

(c) ANB and PBC shall, upon request, furnish each other all information concerning themselves, their Subsidiaries, directors, officers and stockholders and such other matters that

as may be reasonably necessary or advisable in connection with the Proxy Statement/Prospectus, the S-4 Registration Statement or any other statement, filing, notice or application made by or on behalf of ANB, PBC or any of their Subsidiaries to any Regulatory Authority in connection with the Merger and the other transactions provided for in this Agreement.

(d) ANB and PBC shall promptly furnish each other with copies of written communications received by ANB or PBC, as the case may be, or any of their respective Subsidiaries, Affiliates or associates from, or delivered by any of the foregoing to, any Regulatory Authority in respect of the transactions provided for herein.

(e) ANB will indemnify and hold harmless PBC and their respective officers and directors and PBC will indemnify and hold harmless ANB and its directors and officers, from and against any and all actions, causes of actions, losses, damages, expenses or liabilities to which any such entity, or any director, officer or controlling person thereof, may become subject under applicable Laws (including the 1933 Act and the 1934 Act) and rules and regulations thereunder and will reimburse the other, and any such director, officer or controlling person for any legal or other expenses reasonably incurred in connection with investigating or defending any actions, whether or not resulting in liability, insofar as such losses, damages, expenses, liabilities or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any such request, statement, application, report or material or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein, or necessary in order to make the statement therein not misleading, but only insofar as any such statement or omission was made in reliance upon and in conformity with information furnished in writing in connection therewith by such indemnifying Party for use therein.

8.2 Access to Information.

(a) Upon reasonable notice and subject to the restrictions set forth in Section 7.1 (b) and applicable Laws relating to the exchange of information, from the date of this Agreement, ANB and PBC shall, and shall cause each of their respective Subsidiaries to, afford to each other's Designated Representative, reasonable access during the period prior to the Effective Time, to all its properties, books, contracts, commitments and records and, during such period, each of ANB and PBC shall, and shall cause each of their respective Subsidiaries to, make available to the other's Designated Representative (i) a copy of each report, schedule, registration statement and other document filed or received by it during such period pursuant to the requirements of the Securities Laws or Federal or state banking Laws (other than reports or documents which such Party is not permitted to disclose under applicable Law, in which case such Party shall notify the other Party of the nondisclosure and the nature of such information) and (ii) also other information concerning its business, properties and personnel as the other party may reasonably request.

(b) All information furnished by ANB to PBC or its representatives pursuant hereto shall be treated as the sole property of ANB and, if the Merger shall not occur, PBC and its

representatives shall return to ANB all of such written information and all documents, notes, summaries or other materials containing, reflecting or referring to, or derived from, such information. PBC shall, and shall use its best efforts to cause its representatives to, keep confidential all such information, and shall not directly or indirectly use such information for any competitive or other commercial purpose. The obligation to keep such information confidential shall continue for five years from the date the proposed Merger is abandoned and shall not apply to (i) any information which (x) was already in PBC's possession prior to the disclosure thereof by ANB; (y) was then generally known to the public; or (z) was disclosed to PBC by a third party not bound by an obligation of confidentiality, or (ii) disclosures made as required by Law.

(c) All information furnished by PBC or its Subsidiaries to ANB or its representatives pursuant hereto shall be treated as the sole property of PBC and, if the Merger shall not occur, ANB and its representatives shall return to PBC all of such written information and all documents, notes, summaries or other materials containing, reflecting or referring to, or derived from, such information. ANB shall, and shall use its best efforts to cause its representatives to, keep confidential all such information, and shall not directly or indirectly use such information for any competitive or other commercial purpose. The obligation to keep such information confidential shall continue for five years from the date the proposed Merger is abandoned and shall not apply to (i) any information which (x) was already in ANB's possession prior to the disclosure thereof by PBC or any of its Subsidiaries; (y) was then generally known to the public; or (z) was disclosed to ANB by a third party not bound by an obligation of confidentiality, or (ii) disclosures made as required by Law.

(d) No investigation by either of the parties or their respective representatives shall affect the representations and warranties of the other set forth herein.

8.3 Efforts to Consummate. Subject to the terms and conditions of this Agreement, each of PBC and ANB shall use its commercially reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable Laws to consummate and make effective, as soon as practicable after the date of this Agreement, the transactions provided for in this Agreement, including without limitation obtaining of all of the Consents.

8.4 PBC Stockholders' Meeting. PBC shall call a meeting of its stockholders (the "PBC Stockholders' Meeting") to be held as soon as reasonably practicable after the date of this Agreement for the purpose of voting upon this Agreement and such other related matters as it deems appropriate. In connection with the PBC Stockholders' Meeting (a) PBC shall prepare with the assistance of ANB a notice of meeting; (b) ANB shall furnish all information concerning it that PBC may reasonably request in connection with conducting the PBC Stockholders' Meeting; (c) ANB shall prepare and furnish to PBC for distribution to PBC's stockholders the Proxy Statement/Prospectus; (d) PBC shall furnish all information concerning it that ANB may reasonably request in connection with preparing the Proxy Statement/Prospectus; (e) subject to the provisions of Section 8.8(b), the PBC Board shall

recommend to its stockholders the approval of this Agreement; and (f) subject to the provisions of Section 8.8(b), PBC shall use its commercially reasonable best efforts to obtain its stockholders' approval. The Parties will use their commercially reasonable best efforts to prepare a preliminary draft of the Proxy Statement/Prospectus within 30 days of the date of this Agreement, and will consult with one another on the form and content of the Proxy Statement/Prospectus (including the presentation of draft copies of such proxy materials to the other) prior to delivery to PBC's stockholders. PBC will use its commercially reasonable best efforts to deliver notice of meeting and, the Proxy Statement/Prospectus as soon as practicable after receipt of all required regulatory approvals and the expiration of all applicable waiting periods.

8.5 Certificates of Objections. As soon as practicable (but in no event more than three business days) after the PBC Stockholders' Meeting, PBC shall deliver to ANB a certificate of the Secretary of PBC containing the names of the stockholders of PBC that both (a) gave written notice prior to the taking of the vote on this Agreement at the PBC Stockholders' Meeting that they dissent from the Merger, and (b) voted against approval of this Agreement or abstained from voting with respect to the approval of this Agreement ("Certificate of Objections"). The Certificate of Objections shall include the number of shares of PBC Common Stock held by each such stockholder and the mailing address of each such stockholder.

8.6 Press Releases. Prior to the Effective Time, ANB and PBC shall obtain the prior consent of the other Party as to the form and substance of any press release or other public disclosure materially related to this Agreement or any other transaction provided for herein; provided, however, that nothing in this Section 8.6 shall be deemed to prohibit any Party from making any disclosure which it deems necessary or advisable, with the advice of counsel, in order to satisfy such Party's disclosure obligations imposed by Law.

8.7 Expenses. Except as otherwise provided herein, each Party shall bear and pay their own costs and expenses incurred in connection with the transactions provided for herein, including fees and expenses of financial or other consultants, investment bankers, accountants and counsel. The costs and expenses of preparing, printing and mailing the Proxy Statement/Prospectus shall be paid by ANB, and all filing and other fees paid to the SEC or any other Regulatory Authority in connection with the Merger and the transactions contemplated hereunder, shall be paid by ANB. Nothing contained herein shall limit either Party's rights under Article 10 to recover any damages arising out of a Party's willful breach of any provision of this Agreement.

8.8 Failure to Close.

(a) ANB expressly agrees to consummate the transactions provided for herein upon the completion of all conditions to Closing and shall not take any action reasonably calculated to prevent the Closing and shall not unreasonably delay any action reasonably required to be taken by it to facilitate the Closing.

(b) PBC expressly agrees to consummate the transactions provided for herein upon the completion of all conditions to Closing and shall not take any action reasonably calculated to prevent the Closing and shall not unreasonably delay any action reasonably required to be taken by it to facilitate the Closing. Notwithstanding any other provision of this Agreement, to the extent required by the fiduciary obligations of the PBC Board, as determined in good faith by a majority of the PBC Board based on the advice of PBC's outside counsel, PBC may:

(i) in response to an unsolicited request therefor, participate in discussions or negotiations with, or furnish information with respect to PBC pursuant to a customary confidentiality agreement (as determined by PBC's outside counsel) to, any person concerning an Acquisition Proposal involving PBC or any of its Subsidiaries; and

(ii) approve or recommend (and, in connection therewith withdraw or modify its approval or recommendation of this Agreement or the Merger) a superior Acquisition Proposal involving PBC or any of its Subsidiaries or enter into an agreement with respect to such superior Acquisition Proposal (for purposes of this Agreement, "superior Acquisition Proposal," when used with reference to PBC or any of its Subsidiaries, means a bona fide Acquisition Proposal involving PBC or any of its Subsidiaries made by a third party which a majority of the disinterested members of the PBC Board determines in its good faith judgment (based on the advice of PBC's independent financial advisor) to be more favorable to PBC's stockholders than the Merger, and for which financing, to the extent required, is then committed).

PBC shall promptly advise ANB in writing of any Acquisition Proposal involving PBC or any of its Subsidiaries or any inquiry with respect to or which could lead to any such Acquisition Proposal and the identity of the Person making any such Acquisition Proposal or inquiry and will keep ANB fully informed of the status and details of any such Acquisition Proposal or inquiry.

8.9 Fairness Opinion. The PBC Board shall engage a financial advisor (the "PBC Financial Advisor") reasonably acceptable to ANB to act as advisor to the PBC Board during the transaction and to opine separately as to the fairness from a financial point of view of the Exchange Ratio. Such fairness opinion shall be reviewed by the PBC Board and shall contain analysis for each of PBC and ANB based on a review of each of their historical performance, current financial condition and market area analysis along with the PBC Financial Advisor's understanding of future prospects in the banking industry. The PBC Financial Advisor shall determine and set forth in its fairness opinion the range of fair market values of PBC and ANB using standard valuation methods for banks. It is expected that said fairness opinion shall be issued as soon as practicable before the signing of this Agreement. The PBC Board may, at its option, elect to have the final fairness opinion updated immediately prior to the mailing of the Proxy Statement/Prospectus and at the Effective Time.

8.10 Accounting and Tax Treatment. Each of the Parties undertakes and agrees to use its best efforts to cause the Merger, and to knowingly take no action which would cause the Merger not to qualify for pooling-of-interests accounting treatment and treatment as a

"reorganization" within the meaning of Section 368(a) of the Internal Revenue Code for federal income tax purposes.

8.11 Demand Registration.

(a) ANB Covenants. With respect to the ANB Common Stock to be issued to Freedle in connection with the Merger, but only if Freedle complies with the terms and conditions of Section 8.11(c) hereof ANB covenants and agrees:

(i) upon written demand by Freedle on or prior to the date which is forty-five (45) days prior to the expiration of the applicable volume limitations on resales by Freedle of such securities under SEC Rule 145, to file with the SEC as soon as practicable, but in any event not before the first published report of ANB including at least thirty (30) days of combined operations of ANB and PBC which occurs after the Merger, a Registration Statement on Form S-3, and all amendments thereto (as amended, the "S-3 Registration Statement"), respecting the registration of shares of the ANB Common Stock to be issued pursuant to this Agreement for the purpose of registering said shares of ANB Common Stock with the SEC and to keep such Registration Statement effective for a period expiring no earlier than the first anniversary of the Effective Time;

(ii) to use its best efforts to cause the S-3 Registration Statement to become effective as soon as possible after ANB's receipt of Freedle's written demand in accordance with Section 8.11(a)(i) above, and to prepare and file with the SEC, as expeditiously as possible, any amendments and supplements to the S-3 Registration Statement that may be necessary;

(iii) to furnish to Freedle, as expeditiously as possible, such documents as Freedle may reasonably request in order to facilitate the public sale or other disposition of the shares of ANB Common Stock owned by Freedle and so registered;

(iv) to use its best efforts to register or qualify, as expeditiously as possible, the shares of ANB Common Stock covered by the S-3 Registration Statement under the securities or Blue Sky Laws of those states set forth on schedules to be furnished to ANB by Freedle within fifteen (15) days after the effective date of the S-3 Registration Statement listing those states in which it is reasonable that registration or qualification will be required to enable Freedle, through registered broker-dealers, to consummate the public sale or other disposition of such ANB Common Stock, and do any and all other acts and things that may be necessary or desirable to enable Freedle, through registered broker-dealers, to consummate the public sale or other disposition of the ANB Common Stock owned by him; provided, however, that Freedle shall furnish in writing to ANB such information regarding Freedle and the distribution proposed by him as ANB may request in writing and as shall be required in connection with any registrations, qualifications or compliance;

(v) to pay all expenses incurred by ANB in complying with this Section 8.11(a), including without limitation registration fees, exchange listing fees, printing expenses, fees and disbursements of counsel for ANB, state Blue Sky fees and expenses, and the expense of any special audits incident to or required by any such registration, but excluding underwriting discounts and selling commissions, if any;

(vi) in the event of any registration of shares of the ANB Common Stock pursuant to this Section 8.11(a), to indemnify and hold harmless Freedle, any underwriter of such shares of ANB Common Stock and each other person, if any, who controls such underwriter within the meaning of the 1933 Act or the 1934 Act, against any losses, claims, damages or liabilities, joint or several, to which Freedle or such underwriter or controlling person may become subject under the 1933 Act, the 1934 Act, state securities Laws or otherwise, insofar as such losses, claims, damages or liabilities (or actions with respect thereto) arise out of or are based upon any untrue statement of any material fact contained in the S-3 Registration Statement, any preliminary prospectus or prospectus contained in the S-3 Registration Statement, or any amendment or supplement to such S-3 Registration Statement, or arise out of or are based upon the omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and ANB will reimburse Freedle and each such underwriter and controlling person for any legal or any other expenses reasonably incurred by Freedle or such underwriter or controlling person in connection with investigating or defending any such loss, claim, damage or action; provided, however; that ANB will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any untrue statement or omission made in such S-3 Registration Statement, preliminary prospectus or prospectus, or any such amendment or supplement, in reliance upon and in conformity with information furnished to ANB, in writing, by or on behalf of Freedle or such underwriter or controlling person specifically for use in the preparation thereof; and

(vii) to remove (A) any legend for pooling purposes which it has placed upon any of the certificates representing ANB Common Stock issued in connection with the transactions contemplated hereby at the end of thirty (30) days after the first published report of ANB including at least thirty (30) days of combined operations of ANB and PBC which occurs after the Merger, but in any event no longer than 135 days after the Effective Time, and (B) any other legend which it has placed upon any of the certificates representing ANB Common Stock issued to any Affiliate of PBC in connection with the transactions contemplated hereby, at the end of twelve (12) months from the Effective Time, unless such shares may be sold sooner under Rule 145(d)(2) or (3) or any replacement or revision thereto.

(b) Covenants of Freedle. With respect to the shares of ANB Common Stock that may be registered pursuant to Section 8.11(a) and sold by Freedle, prior to any obligation on behalf of ANB to comply with Section 8.11(a) hereof with respect to any such shares of ANB Common Stock to be issued to Freedle, Freedle shall enter into an agreement with ANB

whereby, among other things, he shall covenant and agree to indemnify and hold harmless ANB, each of its directors and officers and each underwriter (if any) and each person, if any, who controls ANB or any such underwriter within the meaning of the 1933 Act or the 1934 Act, against any losses, claims, damages or liabilities, joint or several, to which ANB, such directors and officers, underwriter or controlling person may become subject under the 1933 Act, the 1934 Act, state securities laws or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any S-3 Registration Statement under which such shares of ANB Common Stock were registered under the 1933 Act, any preliminary prospectus or final prospectus contained in the S-3 Registration Statement, or any amendment or supplement to the S-3 Registration Statement, or prospectus, or arise out of or are based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, if the statement or omission was made in reliance upon and in conformity with information furnished in writing to ANB by or on behalf of Freedle, specifically for use in connection with the preparation of such S-3 Registration Statement, prospectus, amendment or supplement; provided, however, that the obligation of Freedle thereunder shall be limited to such losses, claims, damages or liabilities as arise out of or are based upon information furnished in writing by or on behalf of or withheld by Freedle.

(c) Conditions to Indemnification Under Sections 8.11(a) and 8.11(b). Each party entitled to indemnification under Sections 8.11(a) or 8.11(b) (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual Knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any Litigation resulting therefrom; provided, that counsel for the Indemnifying Party, who shall conduct the defense of such claim of Litigation, shall be approved by the Indemnified Party (whose approval shall not be unreasonably withheld); and provided, further, that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under Section 8.11(a) or Section 8.11(b), as applicable, unless and to the extent the failure to notify materially adversely affects the defense of such action. The Indemnified Party may participate in such defense at such party's expense; provided, however, that the Indemnifying Party shall pay such expense if representation of such Indemnifying Party by the counsel retained by the Indemnifying Party would be inappropriate due to actual or potential differing interests between the Indemnified Party and any other party represented by such counsel in such proceeding. No Indemnifying Party, in the defense of any such claim or Litigation shall, except with the consent of each Indemnifying Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party or a release from all liability in respect of such claim or Litigation.

ARTICLE 9

CONDITIONS PRECEDENT TO OBLIGATIONS TO CONSUMMATE

9.1 Conditions to Obligations of Each Party. The respective obligations of each Party to perform this Agreement and consummate the Merger and the other transactions provided for herein are subject to the satisfaction of the following conditions, unless waived by both Parties pursuant to Section 11.4 of this Agreement:

(a) **Stockholder Approval.** The stockholders of PBC shall have approved this Agreement by the requisite vote, and the consummation of the transactions provided for herein, as and to the extent required by Law and by the provisions of any governing instruments, and PBC shall have furnished to ANB certified copies of resolutions duly adopted by its stockholders evidencing same.

(b) **Regulatory Approvals.** All Consents of, filings and registrations with, and notifications to, all Regulatory Authorities required for consummation of the Merger shall have been obtained or made and shall be in full force and effect and all waiting periods required by Law shall have expired. No Consent obtained from any Regulatory Authority that is necessary to consummate the transactions provided for herein shall be conditioned or restricted in a manner (including without limitation requirements relating to the raising of additional capital or the disposition of Assets) which in the reasonable judgment of the Board of Directors of either Party would so materially adversely impact the economic or business benefits of the transactions provided for in this Agreement as to render inadvisable the consummation of the Merger.

(c) **Consents and Approvals.** Each Party shall have obtained any and all Consents required for consummation of the Merger (other than those referred to in Section 9.1(b) of this Agreement) or for the preventing of any Default under any Contract or Permit of such Party which, if not obtained or made, would have, individually or in the aggregate, a Material Adverse Effect on such Party. No Consent so obtained which is necessary to consummate the transactions provided for herein shall be conditioned or restricted in a manner which in the reasonable judgment of the Board of Directors of either Party would so materially adversely impact the economic or business benefits of the transactions contemplated by this Agreement as to render inadvisable the consummation of the Merger.

(d) **Legal Proceedings.** No court or Regulatory Authority of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any Law or Order (whether temporary, preliminary or permanent) or taken any other action that prohibits, restricts or make illegal consummation of the transactions provided for in this Agreement. No action or proceeding shall have been instituted by any Person, and the Parties shall not have Knowledge of any threatened action or proceeding by any Person, which seeks to restrain the consummation of the transactions provided for in this Agreement which, in the opinion of the ANB Board or the PBC Board, renders it impossible or inadvisable to consummate the transactions provided for in this Agreement.

(e) **Pooling Letter.** ANB shall have received a letter, dated as of the Effective Time, in form and substance reasonably acceptable to it, from Coopers & Lybrand, L.L.P., to the effect that the Merger will qualify for pooling-of-interests accounting treatment.

(f) **Tax Matters.** PBC and ANB shall have received a written opinion of counsel from Maynard, Cooper & Gale, P.C., in form reasonably satisfactory to them (the "Tax Opinion"), to the effect that (i) the Merger will constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, (ii) the exchange in the Merger of PBC Common Stock for ANB Common Stock will not give rise to gain or loss to the stockholders of PBC with respect to such exchange (except to the extent of any cash received), and (iii) neither PBC nor ANB will recognize gain or loss as a consequence of the Merger (except for income and deferred gain recognized pursuant to Treasury regulations issued under Section 1502 of the Internal Revenue Code). In rendering such Tax Opinion, counsel for ANB shall be entitled to rely upon representations of officers of PBC and ANB reasonably satisfactory in form and substance to such counsel.

(g) **S-4 Registration Statement Effective.** The S-4 Registration Statement shall have become effective under the 1933 Act and no stop order suspending the effectiveness of the S-4 Registration Statement shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the SEC.

(h) **Noncompete and Nonsolicitation Agreement with Freedle and Tucker.** ANB and each of Freedle and Robert Tucker shall have executed and delivered a noncompete and nonsolicitation agreement in the form attached hereto as Exhibit C.

9.2 Conditions to Obligations of ANB. The obligations of ANB to perform this Agreement and consummate the Merger and the other transactions provided for herein are subject to the satisfaction of the following conditions, unless waived by ANB pursuant to Section 11.4(a) of this Agreement:

(a) **Representations and Warranties.** The representations and warranties of PBC set forth or referred to in this Agreement shall be true and correct as of the date of this Agreement and as of the Effective Time with the same effect as though all such representations and warranties had been made on and as of the Effective Time (provided that representations and warranties which are confined to a specified date shall speak only as of such date), except (i) as expressly contemplated by this Agreement or (ii) for representations and warranties (other than the representations and warranties set forth in Section 5.3 of this Agreement, which shall be true in all material respects) the inaccuracies of which relate to matters that do not, individually or in the aggregate, have a Material Adverse Effect on PBC.

(b) **Performance of Agreements and Covenants.** Each and all of the agreements and covenants of PBC to be performed and complied with pursuant to this Agreement and the other agreements provided for herein prior to the Effective Time shall have been duly performed and complied with in all material respects.

(c) **Certificates.** PBC shall have delivered to ANB (i) a certificate, dated as of the Effective Time and signed on its behalf by its chief executive officer and its chief financial officer, to the effect that the conditions of its obligations set forth in Section 9.2(a) and 9.2(b)

of this Agreement have been satisfied, and (ii) certified copies of resolutions duly adopted by the PBC Board and the PBC stockholders evidencing the taking of all corporate action necessary to authorize the execution, delivery and performance of this Agreement, and the consummation of the transactions provided for herein, all in such reasonable detail as ANB and its counsel shall request.

(d) **Opinion of Counsel.** PBC shall have delivered to ANB an opinion of Fowler, White, et. al., counsel to PBC, dated as of the Closing, in substantially the form of Exhibit A hereto.

(e) **Release of Claims.** The Directors and Executive Officers of PBC shall have given to PBC a release in the form of Exhibit D.

9.3 Conditions to Obligations of PBC. The obligations of PBC to perform this Agreement and consummate the Merger and the other transactions provided for herein are subject to the satisfaction of the following conditions, unless waived by PBC pursuant to Section 11.4(b) of this Agreement:

(a) **Representations and Warranties.** The representations and warranties of ANB set forth or referred to in this Agreement shall be true and correct as of the date of this Agreement and as of the Effective Time with the same effect as though all such representations and warranties had been made on and as of the Effective Time (provided that representations and warranties which are confined to a specified date shall speak only as of such date), except (i) as expressly contemplated by this Agreement or (ii) for representations and warranties (other than the representations and warranties set forth in Section 6.3 of this Agreement, which shall be true in all material respects) the inaccuracies of which relate to matters that do not have, individually or in the aggregate, a Material Adverse Effect on ANB.

(b) **Performance of Agreements and Covenants.** Each and all of the agreements and covenants of ANB to be performed and complied with pursuant to this Agreement and the other agreements provided for herein prior to the Effective Time shall have been duly performed and complied with in all material respects.

(c) **Certificates.** ANB shall have delivered to PBC (i) a certificate, dated as of the Effective Time and signed on its behalf by its chief executive officer and its chief financial officer, to the effect that the conditions of its obligations set forth in Section 9.3(a) and 9.3(b) of this Agreement have been satisfied, and (ii) certified copies of resolutions duly adopted by the ANB Board evidencing the taking of all corporate action necessary to authorize the execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated hereby, all in such reasonable detail as PBC and its counsel shall request.

(d) Opinion of Counsel. ANB shall have delivered to PBC an opinion of Maynard, Cooper & Gale, P.C., counsel to ANB, dated as of the Effective Time, in substantially the form of Exhibit B hereto.

(e) Fairness Opinion. PBC shall have received from the PBC Financial Advisor the fairness opinion described in Section 8.9 stating that the Exchange Ratio provided for in this Agreement and recommended by PBC to its stockholders is fair to PBC and its stockholders from a financial point of view as of the time of mailing of the Proxy Statement/Prospectus and, if requested by the PBC Board, such Financial Advisor shall have reconfirmed such opinion as of the Effective Time.

(f) ANB Common Stock. The ANB Common Stock to be issued in the Merger shall have been qualified as a NASDAQ "national market system security" pursuant to Section 7.7 hereof.

(g) Release of Claims The Directors and Executive Officers of PBC shall have received from PBC a release in the form of Exhibit E.

ARTICLE 10

TERMINATION

10.1 Termination. Notwithstanding any other provision of this Agreement, and notwithstanding the approval of this Agreement by the stockholders of PBC, this Agreement may be terminated and the Merger abandoned at any time prior to the Effective Time:

(a) by mutual written consent of the ANB Board and the PBC Board; or

(b) by the Board of Directors of either Party in the event of a breach by the other Party of any representation or warranty contained in this Agreement which cannot be or has not been cured within thirty (30) days after the giving of written notice to the breaching Party of such breach and which breach would have, individually or in the aggregate, a Material Adverse Effect on the breaching Party; or

(c) by the Board of Directors of either Party in the event of a material breach by the other Party of any covenant, agreement or other obligation contained in this Agreement which cannot be or has not been cured within thirty (30) days after the giving of written notice to the breaching Party of such breach; or

(d) by the Board of Directors of either Party (provided that the terminating Party is not then in material breach of any representation, warranty, covenant, agreement or other obligation contained in this Agreement) if (i) any Consent of any Regulatory Authority required for consummation of the Merger and the other transactions provided for herein shall have been denied by final nonappealable action of such authority or if any action taken by such Authority

is not appealed within the time limit for appeal, or (ii) the stockholders of PBC fail to vote their approval of this Agreement and the transactions provided for herein at its Stockholders' Meeting where the transactions are presented to such PBC stockholders for approval and voted upon; or

(e) by ANB, upon written notice to PBC, if there shall have occurred any Material Adverse Effect to the business, operations or financial condition of PBC taken as a whole and such Material Adverse Effect shall not have been remedied within 15 days after receipt by PBC of notice in writing from ANB specifying the nature of such Material Adverse Effect and requesting that it be remedied; or

(f) by PBC, upon written notice to ANB, if there shall have occurred any Material Adverse Effect to the business, operations, or financial condition of ANB taken as a whole and such Material Adverse Effect shall not have been remedied within 15 days after receipt by ANB of notice in writing from PBC specifying the nature of such Material Adverse Effect and requesting that it be remedied; or

(g) by the Board of Directors of either Party if the Merger shall not have been consummated by December 31, 1998, if the failure to consummate the transactions contemplated hereby on or before such date is not caused by any breach of this Agreement by the Party electing to terminate pursuant to this Section 10.1(g); or

(h) by the Board of Directors of either Party if any of the conditions precedent to the obligations of such Party to consummate the Merger cannot be satisfied or fulfilled by the date specified in Section 10.1(g) of this Agreement and such failure was not the fault of the terminating party; or

(i) by the ANB Board if the holders of in excess of seven percent (7.0%) of the outstanding shares of PBC Common Stock properly assert their dissenters' rights of appraisal pursuant to Section 607.1320 of the FBCA; or

(j) by PBC, to the extent that a majority of the disinterested members of the PBC Board shall have determined to enter into an agreement with respect to a superior Acquisition Proposal as contemplated by Section 8.8(b); provided that, concurrently with such termination, PBC shall pay to ANB a termination fee equal to \$500,000; in such an event, ANB shall not be entitled to receive any additional amounts (for damages, expenses, costs or otherwise) from PBC, its officers, directors or shareholders; or

(k) by the PBC Board if the Average Quoted Price is \$23.00 or less.

10.2 Effect of Termination. In the event of the termination and abandonment of this Agreement pursuant to Section 10.1 of this Agreement, this Agreement shall become void and have no effect, except that (i) the provisions of this Section 10.2 and Article 11 and Sections 7.3(c) 8.2, 8.7 and 10.1(j) of this Agreement shall survive any such termination and abandonment, and (ii) a termination pursuant to Sections 10.1(b), 10.1(c) or 10.1(h) of this

Agreement shall not relieve the breaching Party from Liability for an uncured willful breach of a representation, warranty, covenant, obligation or agreement giving rise to such termination.

10.3 Non-Survival of Representations and Covenants. The respective representations, warranties, obligations, covenants and agreements of the Parties shall not survive the Effective Time, except for the provisions of this Section 10.3 and Articles 1-4, Sections 7.3 (a), (b) and (d), 8.2 (b) and (c), 8.11 and Article 11 of this Agreement which shall survive the Effective Time.

ARTICLE 11 **MISCELLANEOUS**

11.1 Definitions. Except as otherwise provided herein, the capitalized terms set forth below (in their singular and plural forms as applicable) shall have the following meanings:

"**Acquisition Proposal**" with respect to a Party shall mean any tender offer or exchange offer or any proposal for a merger, acquisition of all of the stock or Assets of, or other business combination involving such Party or any of its Subsidiaries or the acquisition of a substantial equity interest in, or a substantial portion of the assets of, such Party or any of its Subsidiaries, including a plan of liquidation of a Party or any of its Subsidiaries, other than the transaction provided for in this Agreement.

"**1933 Act**" shall mean the Securities Act of 1933, as amended.

"**1934 Act**" shall mean the Securities Exchange Act of 1934, as amended.

"**Affiliate**" of a Person shall mean: (i) any other Person directly, or indirectly through one or more intermediaries, controlling, controlled by or under common control with such Person; (ii) any officer, director, partner, employer, or direct or indirect beneficial owner of any 10% or greater equity or voting interest of such Person; or (iii) any other Person for which a Person described in clause (ii) acts in any such capacity.

"**Agreement**" shall mean this Agreement and Plan of Merger, including the Exhibits and Schedules delivered pursuant hereto and incorporated herein by reference. References to "the date of this Agreement," "the date hereof" and words of similar import shall refer to the date this Agreement was first executed, March 5, 1998.

"**ANB**" shall mean Alabama National Bancorporation, a Delaware corporation.

"**ANB Allowance**" shall have the meaning provided in Section 6.9 of this Agreement.

"ANB Banks" shall mean and include Alabama Exchange Bank; First Citizens Bank, National Bank; First American Bank; Citizens & Peoples Bank, National Association; Bank of Dadeville; First Gulf Bank; and National Bank of Commerce of Birmingham.

"ANB Benefit Plan" shall mean all pension, retirement, profit-sharing, deferred compensation, stock option, employee stock ownership, severance pay, vacation, bonus, or other incentive plan, all other written employee programs, arrangements, or agreements, all medical, vision, dental, or other health plans, all life insurance plans, and all other employee benefit plans or fringe benefit plans, including, without limitation, "employee benefit plans" as that term is defined in Section 3(3) of ERISA, currently adopted, maintained by, sponsored in whole or in part by, or contributed to by any ANB Company or Affiliate thereof for the benefit of employees, retirees, dependents, spouses, directors, independent contractors, or other beneficiaries and under which employees, retirees, dependents, spouses, directors, independent contractors, or other beneficiaries are eligible to participate.

"ANB Board" shall mean the Board of Directors of ANB.

"ANB Common Stock" shall mean the \$1.00 par value common stock of ANB.

"ANB Companies" shall mean, collectively, ANB and all ANB Subsidiaries.

"ANB ERISA Plan" shall mean any of the ANB Benefit Plans which is an "employee pension benefit plan," as that term is defined in Section 3(2) of ERISA.

"ANB Financial Statements" shall mean (i) the consolidated statements of conditions (including related notes and schedules, if any) of ANB as of December 31, 1996, 1995 and 1994, and the related statements of income, changes in stockholders' equity, and cash flows (including related notes and schedules, if any) for the years then ended, as filed by ANB in SEC Documents, and (ii) the consolidated statements of condition of ANB (including related notes and schedules, if any) and related statements of income, changes in stockholders' equity and cash flows (including related notes and schedules, if any) included in SEC Documents filed with respect to periods ended subsequent to December 31, 1996.

"ANB Pension Plan" shall mean each ANB ERISA Plan which is also a "defined benefit plan" (as defined in Section 414(j) of the Internal Revenue Code).

"ANB Regulatory Reports" shall mean (i) the Consolidated Financial Statements for Bank Holding Companies, Form FRY 9C, for the years ended December 31, 1996 and 1995, as filed by ANB with the FRB and (ii) the Consolidated Financial Statements for Bank Holding Companies, Form FRY 9C, delivered by ANB to PBC with respect to periods ended subsequent to December 31, 1996.

"ANB Stock Plan" shall mean the existing stock option plans of ANB designated as the "ANB 1994 Stock Option Plan", the "ANB Long-Term Incentive Compensation Plan" and the "ANB Performance Share Plan".

"ANB Subsidiaries" shall mean the Subsidiaries of ANB, which shall include the ANB Subsidiaries described in Section 6.4 of this Agreement and any corporation, bank, savings association, or other organization acquired as a Subsidiary of ANB in the future and owned by ANB at the Effective Time.

"Articles of Merger" shall mean the Articles of Merger to be signed by ANB and PBC and filed with the Department of State of Florida relating to the Merger as contemplated by Section 1.1 of this Agreement.

"Assets" of a Person shall mean all of the assets, properties, businesses and rights of such Person of every kind, nature, character and description, whether real, personal or mixed, tangible or intangible, accrued or contingent, or otherwise relating to or utilized in such Person's business, directly or indirectly, in whole or in part, whether or not carried on the books and records of such Person, and whether or not owned in the name of such Person or any Affiliate of such Person and wherever located.

"Average Quoted Price" shall mean the price derived by adding the averages of the high and low sales price reported on NASDAQ on each of the twenty (20) consecutive trading days ending on the fifth business day prior to the Effective Time, and dividing such sum by twenty (20).

"BHC Act" shall mean the federal Bank Holding Company Act of 1956, as amended.

"Certificate of Merger" shall mean the Certificate of Merger to be executed by ANB and filed with the Secretary of State of Delaware relating to the Merger as contemplated by Section 1.1 of this Agreement.

"Certificate of Objections" shall have the meaning provided in Section 8.5 of this Agreement.

"Closing" shall mean the closing of the transactions provided for herein, as described in Section 1.2 of this Agreement.

"Consent" shall mean any consent, approval, authorization, clearance, exemption, waiver or similar affirmation by any Person pursuant to any Contract, Law, Order or Permit.

"Contract" shall mean any written or oral agreement, arrangement, authorization, commitment, contract, indenture, instrument, lease, obligation, plan, practice, restriction,

understanding or undertaking of any kind or character, or other document to which any Person is a party or that is binding on any Person or its capital stock, Assets or business.

"Cutoff" shall have the meaning provided in Section 4.2 of this Agreement.

"Default" shall mean (i) any breach or violation of or default under any Contract, Order or Permit, (ii) any occurrence of any event that with the passage of time or the giving of notice or both would constitute a breach or violation of or default under any Contract, Order or Permit, or (iii) any occurrence of any event that with or without the passage of time or the giving of notice would give rise to a right to terminate or revoke, change the current terms of, or renegotiate, or to accelerate, increase, or impose any Liability under, any Contract, Order or Permit, where, in any such event, such Default would have, individually or in the aggregate, a Material Adverse Effect on a Party.

"DGCL" shall mean the Delaware General Corporation Law.

"Designated Officer"

(a) with respect to PBC shall mean Freedle, Robert Tucker, Jack A. Shoffner and D. Charles Anderson; and

(b) with respect to ANB shall mean John H. Holcomb, III, Richard Murray and William E. Matthews.

"Designated Representative"

(a) with respect to PBC shall mean Freedle and/or Robert Tucker, and

(b) with respect to ANB shall mean John H. Holcomb, III and/or William E. Matthews.

"Dissenter Provisions" shall have the meaning provided in Section 3.4 of this Agreement.

"Effective Time" shall mean the date and time at which the Merger becomes effective as provided in Section 1.3 of this Agreement.

"Environmental Laws" shall mean all Laws which are administered, interpreted or enforced by the United States Environmental Protection Agency and state and local agencies with jurisdiction over pollution or protection of the environment.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" shall have the meaning provided in Section 5.14 of this Agreement.

"Exchange Agent" shall mean AmSouth Bank.

"Exchange Ratio" shall have the meaning given such term in Section 3.1 hereof.

"FBCA" shall mean the Florida Business Corporation Act.

"FDIC" shall mean the Federal Deposit Insurance Corporation.

"FRB" or "Federal Reserve Board" shall mean Board of Governors of the Federal Reserve System.

"Fraction" shall have the meaning set forth in Section 3.1(d)(ii) of this Agreement.

"Freedle" shall mean P. Douglas Freedle.

"Freedle Employees" shall have the meaning set forth in Section 7.3(d).

"GAAP" shall mean generally accepted accounting principles, consistently applied during the periods involved.

"Hazardous Material" shall mean any pollutant, contaminant, or hazardous substance within the meaning of the Comprehensive Environment Response, Compensation, and Liability Act, 42 U.S.C. § 9601 *et seq.*, or any similar federal, state or local Law.

"Indemnified Party" shall have the meaning set forth in Section 8.11(c) of this Agreement.

"Indemnifying Party" shall have the meaning set forth in Section 8.11(c) of this Agreement.

"Internal Revenue Code" shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

"Knowledge" as used with respect to a Party shall mean (a) the actual knowledge of the Designated Officers of such Party and (b) the Knowledge that a prudent individual serving in a similar role to any of the Designated Officers could reasonably be expected to know in the performance of his duties.

"Law" shall mean any code, law, ordinance, regulation, reporting or licensing requirement, rule, or statute applicable to a Person or its Assets, Liabilities or business, including without limitation those promulgated, interpreted or enforced by any of the Regulatory Authorities.

"Liability" shall mean any direct or indirect, primary or secondary, liability, indebtedness, obligation, penalty, cost or expense (including without limitation costs of investigation, collection and defense), claim, deficiency, guaranty or endorsement of or by any Person (other than endorsements of notes, bills, checks and drafts presented for collection or deposit in the ordinary course of business) of any type, whether accrued, absolute or contingent, liquidated or unliquidated, matured or unmatured, or otherwise.

"Lien" shall mean any conditional sale agreement, default of title, easement, encroachment, encumbrance, hypothecation, infringement, lien, mortgage, pledge, reservation, restriction, security interest, title retention or other security arrangement, or any adverse right or interest, charge or claim of any nature whatsoever of, on or with respect to any property or property interest, other than (i) Liens for current property Taxes not yet due and payable, (ii) for depository institution Subsidiaries of a Party, pledges to secure deposits and other Liens incurred in the ordinary course of the banking business, and (ii) Liens which would not have, individually or in the aggregate, a Material Adverse Effect on a Party.

"Litigation" shall mean any action, arbitration, cause of action, claim, complaint, criminal prosecution, demand letter, governmental or other examination or investigation, hearing, inquiry, administrative or other proceeding or notice (written or oral) by any Person alleging potential Liability or requesting information relating to or affecting a Party, its business, its Assets (including without limitation Contracts related to it), or the transactions provided for in this Agreement, but shall not include regular, periodic examinations of depository institutions and their Affiliates by Regulatory Authorities.

"Loan Property" shall mean any property owned by a Party in question or by any of its Subsidiaries or in which such Party or Subsidiary holds a security interest, and, where required by the context, includes the owner or operator of such property, but only with respect to such property.

"Loans" shall have the meaning set forth in Section 5.9(a) of this Agreement.

"Material" for purposes of this Agreement shall be determined in light of the facts and circumstances of the matter in question; provided that any specific monetary amount stated in this Agreement shall determine materiality in that instance.

"Material Adverse Effect" on a Party shall mean an event, change or occurrence that has a material adverse impact on (i) the financial position, results of operations or business of such Party and its Subsidiaries, taken as a whole, or (ii) the ability of such

Party to perform its obligations under this Agreement or to consummate the Merger or the other transactions provided for in this Agreement; provided that "material adverse impact" shall not be deemed to include the impact of (x) changes in banking and similar Laws of general applicability or interpretations thereof by courts of governmental authorities, (y) changes in generally accepted accounting principles or regulatory accounting principles generally applicable to banks and their holding companies and (z) the Merger on the operating performance of the Parties.

"Merger" shall mean the merger of PBC with and into ANB referred to in Section 1.1 of this Agreement.

"NASD" shall mean the National Association of Securities Dealers, Inc.

"NASDAQ" shall mean the National Association of Securities Dealers Automated Quotations System.

"OCC" shall mean the Office of the Comptroller of the Currency.

"Order" shall mean any administrative decision or award, decrees, injunction, judgment, order, quasi-judicial decision or award, ruling, or writ of any federal, state, local or foreign or other court, arbitrator, mediator, tribunal, administrative agency or Regulatory Authority.

"Participation Facility" shall mean any facility in which the Party in question or any of its Subsidiaries participates in the management and, where required by the context, includes the owner or operator or such property, but only with respect to such property.

"Party" shall mean either PBC or ANB, and "Parties" shall mean both PBC and ANB.

"PBC" shall mean Public Bank Corporation, a Florida corporation.

"PBC Bank" shall have the meaning set forth in Section 5.4(a) of this Agreement.

"PBC Benefit Plans" shall have the meaning set forth in Section 5.14(a) of this Agreement.

"PBC Board" shall mean the Board of Directors of PBC.

"PBC Call Reports" shall mean (i) the Reports of Income and Condition of PBC Bank for the years ended December 31, 1996 and 1995, as filed with the FDIC and the

FRB and (ii) the Reports of Income and Condition of PBC Bank delivered by PBC to ANB with respect to periods ended subsequent to December 31, 1996.

"PBC Certificate" shall have the meaning provided in Section 4.2 of this Agreement.

"PBC Common Stock" shall mean the \$.10 par value Class A voting common stock of PBC.

"PBC Companies" shall mean, collectively, PBC and all PBC Subsidiaries.

"PBC Contracts" shall have the meaning set forth in Section 5.15 of this Agreement.

"PBC Employees" shall have the meaning set forth in Section 7.3(a) of this Agreement.

"PBC ERISA Plans" shall have the meaning set forth in Section 5.14(a) of this Agreement.

"PBC Financial Advisor" shall have the meaning set forth in Section 8.9 of this Agreement.

"PBC Financial Statements" shall mean (i) the consolidated balance sheets (including related notes and schedules, if any) of PBC as of December 31, 1997, 1996 and 1995, and the related statements of income, changes in stockholders' equity and cash flows (including related notes and schedules, if any) for the years then ended, as delivered by PBC to ANB, and (ii) the consolidated balance sheets of PBC (including related notes and schedules, if any) and related statements of income, changes in stockholders' equity and cash flows (including related notes and schedules, if any) delivered by PBC to ANB with respect to periods ended subsequent to December 31, 1997.

"PBC Pension Plan" shall have the meaning set forth in Section 5.14(a) of this Agreement.

"PBC Stockholders' Meeting" shall mean the meeting of the stockholders of PBC to be held pursuant to Section 8.4 of this Agreement, including any adjournment or adjournments thereof.

"PBC Subsidiaries" shall mean the Subsidiaries of PBC, which shall include the PBC Subsidiaries described in Section 5.4 of this Agreement and any corporation, bank, savings association or other organization acquired as a Subsidiary of PBC in the future and owned by PBC at the Effective Time.

"Permit" shall mean any federal, state, local and foreign governmental approval, authorization, certificate, easement, filing, franchise, license, notice, permit or right to which any Person is a party or that is or may be binding upon or inure to the benefit of any Person or its securities, Assets or business.

"Person" shall mean a natural person or any legal, commercial or governmental entity, such as, but not limited to, a corporation, general partnership, joint venture, limited partnership, limited liability company, trust, business association, group acting in concert or any person acting in a representative capacity.

"PMC" shall mean Public Mortgage Corporation, a Florida corporation.

"Proxy Statement/Prospectus" shall have the meaning set forth in Section 5.18 of this Agreement.

"Registration Statement" shall mean the Registration Statement on Form S-4 or Form S-3, or other appropriate form, filed with the SEC by ANB under the 1933 Act in connection with the transactions contemplated by this Agreement.

"Regulatory Authorities" shall mean, collectively, the Federal Trade Commission, the United States Department of Justice, the FRB, the OCC, the FDIC, all state regulatory agencies having jurisdiction over the Parties and their respective Subsidiaries, the NASD and the SEC.

"Related Interests" shall have the meaning set forth in Section 5.15 of this Agreement.

"S-3 Registration Statement" shall have the meaning set forth in Section 8.11(a)(i) of this Agreement.

"S-4 Registration Statement" shall have the meaning set forth in Section 5.18 of this Agreement.

"SEC" shall mean the Securities and Exchange Commission.

"SEC Documents" shall mean all reports and registration statements filed, or required to be filed, by a Party or any of its Subsidiaries with any Regulatory Authority pursuant to the Securities Laws.

"Securities Laws" shall mean the 1933 Act, the 1934 Act, the Investment Company Act of 1940 as amended, the Investment Advisors Act of 1940, as amended, the Trust Indenture Act of 1939, as amended, and the rules and regulations of any Regulatory Authority promulgated thereunder.

"State Regulator" shall have the meaning set forth in Section 5.9(c) of this Agreement.

"Subsidiaries" shall mean all those corporations, banks, associations or other entities of which the entity in question owns or controls 50% or more of the outstanding equity securities either directly or through an unbroken chain of entities as to each of which 50% or more of the outstanding equity securities is owned directly or indirectly by its parent; provided, however, there shall not be included any such entity acquired through foreclosure or any such entity the equity securities of which are owned or controlled in a fiduciary capacity.

"Surviving Corporation" shall mean ANB as the surviving corporation in the Merger.

"Takeover Laws" shall have the meaning set forth in Section 5.22 of this Agreement.

"Tax Opinions" shall have the meaning set forth in Section 9.1(f) of this Agreement.

"Taxes" shall mean any federal, state, county, local, foreign and other taxes, assessments, charges, fares, and impositions, including interest and penalties thereon or with respect thereto.

11.2 Entire Agreement. Except as otherwise expressly provided herein, this Agreement (including the documents and instruments referred to herein) constitutes the entire agreement between the Parties with respect to the transactions provided for herein and supersedes all prior arrangements or understandings with respect thereto, written or oral. Nothing in this Agreement expressed or implied is intended to confer upon any Person, other than the Parties or their respective successors, any right, remedies, obligations or liabilities under or by reason of this Agreement.

11.3 Amendments. To the extent permitted by Law, this Agreement may be amended by a subsequent writing signed by each of the Parties upon the approval of the Boards of Directors of each of the Parties; provided, however, that after approval of this Agreement by the holders of PBC Common Stock, there shall be made no amendment that pursuant to the FBCA or DGCL requires further approval by the PBC stockholders without the further approval of the PBC stockholders.

11.4 Waivers.

(a) Prior to or at the Effective Time, ANB, acting through the ANB Board, chief executive officer or other authorized officer, shall have the right to waive any Default in the performance of any term of this Agreement by PBC, to waive or extend the time for the

compliance or fulfillment by PBC of any and all of its obligations under this Agreement, and to waive any or all of the conditions precedent to the obligations of ANB under this Agreement, except any condition which, if not satisfied, would result in the violation of any Law. No such waiver shall be effective unless in writing signed by a duly authorized officer of ANB.

(b) Prior to or at the Effective Time, PBC, acting through the PBC Board, chief executive officer or other authorized officer, shall have the right to waive any Default in the performance of any term of this Agreement by ANB, to waive or extend the time for the compliance or fulfillment by ANB of any and all of its obligations under this Agreement, and to waive any or all of the conditions precedent to the obligations of PBC under this Agreement, except any condition which, if not satisfied, would result in the violation of any Law. No such waiver shall be effective unless in writing signed by a duly authorized officer of PBC.

11.5 Assignment. Except as expressly provided for herein, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party hereto (whether by operation of Law or otherwise) without the prior written consent of the other Party. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and assigns.

11.6 Notices. All notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered by hand, by facsimile transmission, by registered or certified mail, postage pre-paid, or by courier or overnight carrier, to the persons at the addresses set forth below (or at such other address as may be provided hereunder), and shall be deemed to have been delivered as of the date so delivered:

PBC: Public Bank Corporation
c/o Janus Financial Corporation
4224 Bay-to-Bay Blvd.
Tampa, Florida 33629-6608
Telecopy Number: (813) 831-9993

Attention: Mr. P. Douglas Freedle

Copy to Counsel: Fowler, White, et. al.
Suite 1700, 501 East Kennedy Blvd.
Tampa, Florida 33601
Telecopy Number: (813) 229-8313

Attention: David C. Shobe

ANB: Alabama National Bank Corporation
1927 First Avenue North
Birmingham, Alabama 35203
Telecopy Number: (205) 583-3275

Attention: John H. Holcomb, III,
Chief Executive Officer

Copy to Counsel: Maynard, Cooper & Gale, P.C.
1901 Sixth Avenue North
2400 AmSouth/Harbert Plaza
Birmingham, Alabama 35203
Telecopy Number: (205) 254-1999

Attention: Mark L. Drew

11.7 Brokers and Finders. Each of the Parties represents and warrants that neither it nor any of its officers, directors, employees or Affiliates has employed any broker or finder or incurred any Liability for any financial advisory fees, investment bankers' fees, brokerage fees, commissions or finders' fees in connection with this Agreement or the transactions provided for herein. In the event of a claim by any broker or finder based upon his or its representing or being retained by or allegedly representing or being retained by PBC or ANB, each of PBC and ANB, as the case may be, agrees to indemnify and hold the other Party harmless of and from any Liability with respect to any such claim.

11.8 Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the State of Florida, without regard to any applicable conflicts of Laws, except to the extent federal law shall be applicable.

11.9 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

11.10 Captions. The captions contained in this Agreement are for reference purposes only and are not part of this Agreement.

11.11 Enforcement of Agreement. The Parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement was not performed in accordance with its specific terms or was otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

11.12 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so

broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable.

11.13 Singular/Plural; Gender. Where the context so requires or permits, the use of singular form includes the plural, and the use of the plural form includes the singular, and the use of any gender includes any and all genders.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on its behalf and its corporate seal to be hereunto affixed and attested by its respectively authorized officers as of the day and year first above written.

PUBLIC BANK CORPORATION

Attest:

By: 

Its: Secretary

By: 

P. Douglas Freedle

Its: Chief Executive Officer

[CORPORATE SEAL]

ALABAMA NATIONAL BANK CORPORATION

Attest:

By: 

Its: Secretary

By: 

John H. Holcomb, III

Its: Chief Executive Officer

[CORPORATE SEAL]

List of Exhibits

Exhibit A:	Opinion of PBC Counsel
Exhibit B:	Opinion of ANB Counsel
Exhibit C:	Noncompete Agreement
Exhibit D:	Release of PBC
Exhibit E:	Release of Directors and Executive Officers

List of Schedules

PBC:

Schedule 5.4:	Authorized Capital Stock (PBC).
Schedule 5.5:	Financial Statements and Call Reports (PBC).
Schedule 5.7:	Changes or Events (PBC).
Schedule 5.9:	Loans to Insiders (PBC).
Schedule 5.10(a):	Real Property (PBC).
Schedule 5.10(b):	Leasehold Property (PBC).
Schedule 5.10(c):	Insurance Policies and Fidelity and Blanket Bonds (PBC).
Schedule 5.12:	Non-compliance with Laws (PBC).
Schedule 5.13(b):	Officers and Directors (PBC).
Schedule 5.14:	Employee Benefit Plans (PBC).
Schedule 5.15:	Material Contracts (PBC).
Schedule 5.16:	Legal Proceedings (PBC).
Schedule 5.20:	Offices (PBC).
Schedule 7.2(f):	Acquisition of Equity Interests.
Schedule 7.2(n):	Unfunded Loan Commitments to Insiders (PBC).

List of Schedules (continued)

ANB:

- Schedule 6.3: Performance Compensation Plan and Deferred Compensation Plan for Directors who are not Employees of ANB.
- Schedule 6.5: ANB Financial Statements and ANB Regulatory Reports.
- Schedule 6.7: Changes or Events (ANB).
- Schedule 6.12: Non-compliance with Laws (ANB).
- Schedule 6.16: Legal Proceedings (ANB).

Exhibit A

Letterhead of Fowler, White, Gillen, Boggs, Villareal and Banker, P.A.

[_____] , 1998

BY HAND DELIVERY

Alabama National BanCorporation
1927 First Avenue North
Birmingham, Alabama 35203
Attn: Chairman

Re: Merger of Alabama National BanCorporation and Public Bank Corporation

Gentlemen:

We are counsel to Public Bank Corporation ("PBC"), a corporation organized and existing under the laws of the State of Florida, and have represented PBC in connection with the execution and delivery of the Agreement and Plan of Merger, dated as of March 5, 1998 (the "Agreement"), by and between Alabama National BanCorporation ("ANB") and PBC.

This opinion is delivered pursuant to Section 9.2(d) of the Agreement. Capitalized terms used in this opinion shall have the meaning set forth in the Agreement.

[Note: We will provide our standard format which references ABA Legal Opinion Accord.]

Based upon and subject to the foregoing, we are of the opinion that:

1. PBC is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida with full corporate power and authority to carry on the business in which it is engaged as described in the proxy statement used to solicit the approval by the stockholders of PBC of the transactions provided for in the Agreement ("Proxy Statement"), and to own the properties owned by it.

2. PBC Bank is a state non-member bank of the Federal Reserve System, duly organized, validly existing with active status under the laws of the State of Florida with full corporate power and authority to carry on the business in which it is engaged as described in the Proxy Statement and to own the properties owned by it.

3. The execution and delivery of the Agreement and compliance with its terms do not and will not violate or contravene any provision of the Articles of Incorporation or Bylaws

Alabama National BanCorporation

_____, 1998

Page 2

of PBC or, to our knowledge but without any independent investigation, result in any conflict with, breach of or default or acceleration under any mortgage, agreement, lease, indenture or other instrument, order, judgment or decree to which any PBC Company is a party or by which any PBC Company is bound.

4. In accordance with the Bylaws of PBC and pursuant to resolutions duly adopted by its Board of Directors and stockholders, the Agreement has been duly adopted and approved by the Board of Directors of PBC and by the stockholders of PBC at the Stockholders' Meeting.

5. The Agreement has been duly and validly executed and delivered by PBC and, assuming valid authorization, execution and delivery by ANB, constitutes a valid and binding agreement of PBC enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally; provided, however, that we express no opinion as to the availability of the equitable remedy of specific performance. [We will provide additional exceptions with our Standard Form.]

6. The authorized capital stock of PBC consists of (i) [_____] shares of PBC Common Stock, of which 2,337,309 shares were issued and outstanding as of [_____] 1998, and (ii) [_____] shares of PBC Preferred Stock, of which no shares were issued and outstanding as of [_____] 1998. The shares of PBC Common Stock that are issued and outstanding were to our knowledge not issued in violation of any statutory preemptive rights of shareholders, were duly issued and are nonassessable under the Florida General Corporation Act. To our knowledge, without independent investigation, there are no options, subscriptions, warrants, calls, rights or commitments obligating PBC to issue any equity securities or acquire any of its equity securities.

This opinion is delivered solely for reliance by ANB.

Sincerely,

By: _____

Exhibit B

Letterhead of Maynard, Cooper & Gale, P.C.

[], 1998

BY HAND DELIVERY

Public Bank Corporation

Attn: Chairman

Re: Merger of Alabama National BanCorporation and Public Bank Corporation

Gentlemen:

We are counsel to Alabama National BanCorporation ("ANB"), a corporation organized and existing under the laws of the State of Delaware, and have represented ANB in connection with the execution and delivery of the Agreement and Plan of Merger, dated as of March 5, 1998 (the "Agreement"), by and between Public Bank Corporation ("PBC") and ANB.

This opinion is delivered pursuant to Section 9.3(d) of the Agreement. Capitalized terms used in this opinion shall have the meaning set forth in the Agreement.

In rendering this opinion, we have examined the corporate books and records of ANB, and made such other investigations as we have deemed necessary. We have relied upon certificates of public officials and officers of ANB as to certain questions of fact.

Based upon and subject to the foregoing, we are of the opinion that:

1. ANB is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware with full corporate power and authority to carry on the business in which it is engaged as described in the proxy statement used to solicit the approval by the stockholders of PBC of the transactions provided for the Agreement ("Proxy Statement"), and to own the properties owned by it.

2. The execution and delivery of the Agreement and compliance with its terms do not and will not violate or contravene any provision of the Certificate of Incorporation or Bylaws of ANB, or, to the best of our knowledge but without any independent investigation, result in any conflict with, breach of, or default or acceleration under any mortgage, agreement, lease,

Public Bank Corporation

_____, 1998

Page 2

indenture or other instrument, order, judgment or decree to which any ANB Company is a party or by which any ANB Company is bound.

3. In accordance with the Bylaws of ANB and pursuant to resolutions duly adopted by its Board of Directors and stockholders, the Agreement has been duly adopted and approved by the Board of Directors and stockholders of ANB.

4. The Agreement has been duly and validly executed and delivered by ANB and, assuming valid authorization, execution and delivery by PBC, constitutes a valid and binding agreement of ANB enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, or similar laws affecting creditors' rights generally; provided, however, that we express no opinion as to the availability of the equitable remedy of specific performance.

5. The authorized capital stock of ANB consists of 10,000,000 shares of ANB Common Stock, of which [] shares were issued and outstanding as of [], 1998, and 100,000 shares of preferred stock, \$1.00 par value, none of which is issued and outstanding. The shares of ANB Common Stock that are issued and outstanding were not issued in violation of any statutory preemptive rights of shareholders, were duly issued and are fully paid and nonassessable under the Delaware General Corporation Law. The shares of ANB Common Stock to be issued to the stockholders of PBC as contemplated by the Agreement are duly authorized, and when properly issued and delivered following consummation of the Merger will be validly issued, fully paid and nonassessable. To our knowledge, except as set forth in Section 6.3(a) of the Agreement, there are no options, subscriptions, warrants, calls, rights or commitments obligating ANB to issue any equity securities or acquire any of its equity securities.

This opinion is delivered solely for reliance by PBC.

Sincerely,

MAYNARD, COOPER & GALE, P.C.

By: _____

Exhibit C

NONCOMPETE AND NONSOLICITATION AGREEMENT

THIS NON-COMPETE AND NON-SOLICITATION AGREEMENT (this "Agreement") is effective [], 1998 (the "Effective Date"), by and between PUBLIC BANK, a Florida banking corporation ("Bank"); ALABAMA NATIONAL BANCORPORATION, a Delaware corporation ("ANB"); and [] ("Executive").

Recitals

WHEREAS, since its inception, the Bank has been a wholly-owned subsidiary of Public Bank Corporation ("PBC"), a corporation organized and existing under the laws of the State of [Florida];

WHEREAS, Executive has been [the majority] [a] shareholder and [Chief Executive Officer] [] of PBC;

WHEREAS, pursuant to that certain Agreement and Plan of Merger dated as of [], 1998 between PBC and ANB (the "Merger Agreement"), the parties have agreed that PBC shall merge with and into ANB, and the Bank shall become a wholly-owned subsidiary of ANB; and

WHEREAS, as of the time that the transactions provided for in the Merger Agreement are consummated, Executive's affiliation with PBC and the Bank will terminate and, as a condition to the consummation of the transactions provided for in the Merger Agreement, the parties have agreed to enter into this Agreement.

Agreement

NOW THEREFORE, in consideration of the mutual recitals and covenants contained herein, the parties hereby agree as follows:

1. Disclosure of Information.

(a) Executive acknowledges that any documents and information, whether written or not, that came into Executive's possession or knowledge during Executive's affiliation (as a shareholder, officer, employee or otherwise) with PBC and/or Bank, including, without limitation the financial and business conditions, goals and operations of customers of PBC and/or Bank or any of their respective affiliates or subsidiaries as the same may exist from time to time

(collectively, "Confidential Information"), are valuable, special and unique assets of PBC's and Bank's business. Executive will not, after the Effective Date, (i) disclose any written Confidential Information to any person, firm, corporation, association or other entity not employed by or affiliated with ANB or Bank for any reason or purpose whatsoever, or (ii) use any written Confidential Information for any reason (other than to further the business of ANB and/or Bank). In the event of a breach or threatened breach by Executive of the provisions of this Section 1, in addition to all other remedies available to ANB and Bank, ANB and Bank shall be entitled to an injunction restraining Executive from disclosing any written Confidential Information or from rendering any services to any person, firm, corporation, association or other entity to whom any written Confidential Information has been disclosed or is threatened to be disclosed. Executive further agrees that he will not divulge to any person, firm, corporation, association or other entity not employed by or affiliated with ANB or Bank, any of PBC's or Bank's business methods, sales, services or techniques, to the extent they constitute Confidential Information, regardless of whether the same is written or not.

(b) If Executive breaches or violates the terms of his agreement not to disclose, he will pay any damages proven by ANB and/or Bank, including reasonable attorney fees, whether or not suit be instituted.

2. Competition.

(a) For a period of two (2) years after the Effective Date, Executive will not, individually or as an employee, agent, officer, director or shareholder of or otherwise through any corporation or other business organization, directly or indirectly, (i) in Osceola County, Florida, carry on or engage in the business of banking or any related business or (ii) without the prior written consent of ANB, (A) induce or attempt to induce any employee or agent of ANB or Bank (or any of their respective subsidiaries or affiliates) to leave his or her employment; (B) employ, attempt to employ or solicit for employment, or assist any person to employ any employee or agent of Bank; provided that Executive may employ any such person after such person has been unemployed by the Bank for a period of twelve (12) months; or (C) solicit, attempt to solicit, communicate with, call upon, canvass or interfere with the relationships of Bank with any person that: (1) is a customer of Bank or PBC as of the Effective Date; (2) was a customer of Bank or PBC at any time within 12 months prior to the Effective Date; or (3) is a prospective customer of Bank or PBC who has been pursued as a prospective customer by or on behalf of Bank or PBC at any time within 12 months prior to the Effective Date.

(b) Executive represents that his experience and capabilities are such that the provisions of this Section 2 will not prevent him from earning a livelihood.

(c) If Executive violates any of the provisions of Section 2(a) above, the period during which the covenants set forth therein shall apply shall be extended one (1) day for each day in which a violation of such covenants occurs; if suit be brought to enforce such covenants and one or more violations by Executive be established, then ANB and Bank shall be entitled to an injunction restraining Executive from further violations for a period of two (2)

years from the date of the final decree, less only such number of days that Executive shall have not violated such covenants. The purpose of this provision is to prevent Executive from profiting from his own wrong if he violates such covenants.

(d) If Executive breaches or violates the terms of the covenants set forth in Section 2(a), he will pay all costs incurred by ANB or Bank in enforcing the terms of this Agreement, including without limitation the securing of an injunction hereunder, including a reasonable attorney's fee, whether or not suit be instituted.

(e) For purposes of Section 2(a), Executive shall be deemed to be engaged in any activity engaged in by a person or an entity between Executive and whom or which no deduction is allowable in respect to any loss from the sale or exchange of property pursuant to Section 267 of the Internal Revenue Code of 1986 or whose stock in any corporation or interest in any partnership would be deemed to be owned by Executive pursuant to Section 318 of the Internal Revenue Code of 1986.

3. Default.

(a) If Executive breaches or violates any of the covenants, conditions, or terms of this Agreement on his part to be performed, ANB and Bank shall, in addition to any other remedies provided for in this Agreement or otherwise, have the right, without notice to Executive, to obtain a writ of injunction against him restraining him from violating any such covenant, condition, or term, such notice being hereby expressly waived by Executive.

(b) Additionally, in the event of any conduct by Executive violating any provision of this Agreement, ANB and Bank shall be entitled, if either or them so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either at law or in equity, to obtain damages for such conduct, to enforce specific performance of such provision or to obtain any other relief or any combination of the foregoing that ANB or Bank may elect to pursue.

4. Notice. For the purposes of this Agreement, notices and demands shall be deemed given when mailed by United States mail, addressed in the case of Bank to Public Bank, [____], Attention: Chairman of the Board of Directors, with a copy to ANB at Alabama National Bank Corporation, 1927 First Avenue North, Birmingham, Alabama 35203, Attention: Chief Executive Officer; or in the case of ANB to the address listed above; or in the case of Executive to [____], at [____].

5. Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is agreed to in writing. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Florida. This Agreement supersedes and cancels any prior agreement or understanding entered into between Executive and Bank or Executive and PBC.

6. **Validity.** The invalidity of any provision or provisions of this Agreement shall not affect any other provision of this Agreement, which shall remain in full force and effect, nor shall the invalidity of a portion of any provision of this Agreement affect the balance of such provision.

7. **Parties.** This Agreement shall be binding upon and shall inure to the benefit of any successors or assigns to Bank or ANB. Executive may not assign any of his rights or delegate any of his duties or obligations under this Agreement or any portion hereof.

8. **No Employment Agreement.** This Agreement does not provide Executive any right of Employment by ANB or Bank.

[Signatures on following page.]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by Executive and by a duly authorized officer of each of Bank and ANB as of the date first above written.

Witnesses: "EXECUTIVE":

"Bank":

Attest: PUBLIC BANK

By: _____ By: _____

Its: _____ Its: Chairman of the Board of Directors

[Corporate Seal]

"ANB":

Attest: ALABAMA NATIONAL BANCORPORATION

By: _____ By: _____

Its: _____ Its: Chief Executive Officer

[Corporate Seal]

Exhibit D

**RELEASE OF CLAIMS BY DIRECTORS AND OFFICERS OF
PUBLIC BANK CORPORATION AND
PUBLIC BANK**

THIS RELEASE OF CLAIMS ("Release") dated as of _____, 1998, is executed and delivered by the person executing below to PUBLIC BANK CORPORATION, a Florida corporation (the "Company"), and its wholly owned subsidiary, PUBLIC BANK, a Florida banking corporation (the "Bank").

WHEREAS, Alabama National Bank Corporation ("ANB") is to acquire the Company pursuant to that certain Agreement and Plan of Merger dated as of March 5, 1998 (the "Agreement") by and among the Company and ANB; and

WHEREAS, ANB has required as a condition to such acquisition that the undersigned execute and deliver this Release to confirm the absence of any claims by the undersigned against the Company or its subsidiaries, including the Bank ("Subsidiaries");

NOW, THEREFORE, in consideration of the premises contained herein and ten dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agrees as follows:

Section 1. Release. The undersigned hereby RELEASES and FOREVER DISCHARGES the Company and its Subsidiaries from all manners of action, causes of action, suits, debts, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, premises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, whether in law or in equity, which the undersigned ever had, now has, or hereafter can, shall or may have against the Company or its Subsidiaries, in respect of any and all agreements and obligations incurred on or prior to the date hereof, or in respect of any event occurring or circumstances existing on or prior to the date hereof; provided, however, that the Company and its Subsidiaries shall not be released from any of their respective obligations or liabilities to the undersigned (i) in respect of accrued compensation for wages or salary or fees earned or as otherwise permitted by any written agreement with the Company or its Subsidiaries which is attached hereto as Exhibit A; (ii) in connection with any indebtedness or contractual obligation or liability to the undersigned existing on the date hereof; and (iii) as to rights of indemnification pursuant to the Articles of Incorporation or Association or Bylaws of the Company and its Subsidiaries or under the Agreement.

Section 2. Successors. This Release shall be binding upon the undersigned and his or her heirs, devisees, administrators, executors, personal representatives, successors and assigns

and shall inure to the benefit of the Company and its Subsidiaries and their respective successors and assigns.

Section 3. Governing Law. This Release shall be governed by and construed in accordance with the laws of the State of Florida, without giving effect to Florida principles of conflicts of law.

Section 4. Counterparts. This Release may be executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same instrument.

Section 5. Modification. This Release may be modified only by a written instrument executed by the undersigned and the Company and its Subsidiaries.

IN WITNESS WHEREOF, the undersigned has executed this Release effective as of the date first above written.

STATE OF FLORIDA)

COUNTY OF _____)

This instrument was acknowledged before me on _____, 1998
by _____.

Notary Public in and for the State of Florida

Notary's Name Typed or Printed
My Commission Expires: _____

Exhibit E

**RELEASE OF CLAIMS BY PUBLIC BANK CORPORATION
AND PUBLIC BANK**

THIS RELEASE OF CLAIMS ("Release") dated as of _____, 1998, is executed and delivered by PUBLIC BANK CORPORATION, a Florida corporation (the "Company"), and PUBLIC BANK, a Florida state bank (the "Bank").

WHEREAS, the persons listed on Exhibit A attached hereto and made a part hereof constitute the duly elected directors ("Directors") of the Company and the Bank on the date hereof:

WHEREAS, Alabama National Bank Corporation, a Delaware corporation ("ANB"), is to acquire the Company pursuant to that certain Agreement and Plan of Merger dated as of March 5, 1998 by and between ANB and the Company ("Agreement"), whereby the Company will be merged with and into ANB; and

WHEREAS, the Company has required as a condition to such acquisition that the Directors be released of any claims by the Company or the Bank against the Directors;

NOW, THEREFORE, in consideration of the premises contained herein and ten dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Bank hereby agree as follows:

Section 1. Release. The Company and the Bank hereby RELEASE and FOREVER DISCHARGE the Directors from all manner of action, causes of action, suits, debts, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, controversies, agreements, premises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, whether in law or in equity, which the Company or the Bank ever had, now have or hereafter can, shall or may have against the Directors, in respect of any and all agreements and obligations incurred on or prior to the date hereof, or in respect of any events occurring or circumstances existing on or prior to the date hereof; provided, however, that no Director shall be released from (i) any action arising from fraud in connection with the transactions contemplated by the Agreement or otherwise, or (ii) his or her obligations or liabilities to the Company or the Bank in connection with any indebtedness or any contractual obligation or liability of such director to the Company or the Bank existing on the date hereof.

Section 2. Successors. This Release shall be binding upon the Company, and the Bank and their respective successors and assigns and shall insure to the benefit of the Directors and their respective heirs, devisees, administrators, executors, successors and assigns.

Section 3. Governing Law. This Release shall be governed by and construed in accordance with the laws of the State of Florida, without giving effect to Florida principles of conflicts of law.

Section 4. Counterparts. This Release may be executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same instrument.

Section 5. Modification. This Release may be modified as to any Director only by a written instrument executed by the undersigned and such Director.

IN WITNESS WHEREOF, the Company and the Bank have executed this Release effective as of the date first above written.

PUBLIC BANK CORPORATION

By: _____
Name: _____
Title: _____

STATE OF FLORIDA)
COUNTY OF _____)

This instrument was acknowledged before me on _____, 1998,
by _____, as the _____ of Public Bank
Corporation, a Florida corporation.

Notary Public in and or the State of Florida

Notary's Name Typed or Printed
My Commission Expires: _____

PUBLIC BANK

By: _____
Name: _____
Title: _____

STATE OF FLORIDA)
COUNTY OF _____)

This instrument was acknowledged before me on _____, 1998 by
_____, as the _____ of Public Bank, a
Florida state bank.

Notary Public in and or the State of Florida

Notary's Name Typed or Printed
My Commission Expires: _____

Schedule 5.4

[PBC]

(Authorized Capital Stock (PBC))

COMMON STOCK:

There are 500,000 shares of Public Bank of St. Cloud stock authorized with a par value per share of \$5.00. There are 231,550 shares issued and outstanding to one shareholder.

There are 1,000,000 shares of Public Mortgage Corporation authorized with a par value per share of \$5.00. There are -0- shares issued and outstanding.

PREFERRED STOCK:

None authorized.

Schedule 5.5

[FBC]

(Financial Statements and Call Reports)

Consolidated Financial Statements PBC & Subsidiary for:

December 31, 1995

December 31, 1996

December 31, 1997

Consolidated Reports of Condition and Income...Total Assets of Less than \$100 million for:

December 31, 1995

December 31, 1996

December 31, 1997

384718.06/59/05443-00

Schedule 5.7

[PBC]

(Changes or Events)

Entered into an Equipment Purchase Agreement with Kirchman Corporation dated
February 19, 1998

384718.06/59/05443-00

POWELL WHITE

06/02/98 TUE 15:42 FAX 8132298313

Schedule 5.9

[PBC]

(Loans-to Insiders)

FDIC Order to Cease and Desist dated August 23, 1992.

00-05443/06/05/111713

Schedule 5.10(a)

[PBC]

(Real Property)

St. Cloud Office:

Lots 1-24, inclusive, of Block 207, of the Town of St. Cloud Subdivision, according to the Official Plat as filed and recorded in the Office of the Clerk of the Circuit Court of Osceola County, Florida, in Plat Book "B", pages 33 and 34.

Parcel#R012630-000102070010 (lots 1-12)
Parcel#R012630-000102070130 (lots 13-16)
Parcel#R012630-000102070170 (lots 17-24)

Kissimmee Office:

The South 277 feet of Lot 29, FLORIDA LAND AND DEVELOPMENT CO'S. ADDITION TO KISSIMMEE CITY, Osceola County, Florida, according to the Plat thereof as recorded in Plat Book "A", Page 24, Public Records of Osceola County, Florida.

Parcel#R212529-142000010295

Schedule 5.10(b)
(Leasehold Property)

[PBC]

None.

344718.06/59/05443.00

Schedule 5.10(c)

[PBC]

(Insurance Policies and Fidelity and Blanket Bonds)

1996 1997	PUBLIC BANK				
	INSURANCE				
	ST. CLOUD	KISSIMMEE	DEDUCTIBLE	ISSUANCE EXPIRATION	PREMIUM 1997
PROPERTY SCHEDULE					
BUILDING	\$813,000.00	\$150,000.00	\$1,000.00	APRIL 27, 1997 APRIL 27, 1998 APRIL 27, 1998	
Includes: vaults, night depositories and automated teller machines; outdoor fixtures, including (encas permanently attached; outdoor signs (excluding neon) and exterior lighting fixtures or poles; yard fixtures, glass.					
PERSONAL PROPERTY	\$835,000.00	\$80,000.00	\$1,000.00	*	
Includes: electronic data processing machinery and equipment; debris removal; fire department service charge; inventory required buildings(90 days)					
COMMERCIAL GENERAL LIABILITY	\$2,000,000.00			*	\$5,741.00
Financial Institutions Commercial General Liability Endorsement					
COMMERCIAL INLAND MARINE POLICY	\$25,000.00				\$104.00
VALUABLE PAPERS AND RECORDS					
COMMERCIAL CATASTROPHE LIABILITY	\$1,000,000.00	\$5,000.00	\$10,000.00	*	\$500.00
TIME/ELEMENT-REBUILD	\$5,000.00				
ADDITIONAL LIABILITY	\$45,000.00				
FINE ARTS	\$5,000.00	\$5,000.00	\$250.00	*	
VALUABLE PAPERS	\$5,000.00	\$5,000.00		*	
ADDITIONAL LIABILITY	\$66,000.00	\$20,000.00			
MORTGAGE ERROR AND OMISSIONS	\$1,000,000.00		\$1,000.00	*	\$500.00
FORECLOSED PROPERTY	\$250,000.00		\$1,000.00 \$5,000.00	*	\$0.00
WORKERS COMPENSATION	\$500,000.00	EACH EVENT			\$4,077.00
COMMERCIAL AUTO POLICY	\$500,000.00		\$50.00	*	\$897.00
INCLUDES COVERAGE FOR EMPLOYEES VEHICLES USED TO CONDUCT BANK BUSINESS. REPOSSESSED VEHICLES DURING REPOSSESSION, DEMONSTRATION AND RESALE.					
				APRIL 27, 1997 APRIL 27, 1998 APRIL 27, 1998	\$11,810.00
				MAY 24, 1997 MAY 24, 1997 MAY 24, 1998	\$13,083.00
REIDMAN INS. AGENCY/STAR INSURANCE CO.					
BLANKET BOND					
OFFICER/DIRECTORS					
					\$24,902.00
					\$0.00

384718.06/59/05443-00

Schedule 5.12

[PBC]

(Non-compliance with Laws)

None.

184718.06/39/05443-00

Schedule 5.13(b)

[PDC]

(Officers and Directors)

PB Officers/Titles:

Robert Tucker, Chairman/Consultant
(Paid to: Tucker Management Corporation)

Compensation:

1996-\$75,375(Fees)
1997-\$87,750(Fees)

Jack Shoffner, President/CEO

1996 - \$62,000
1997 - \$67,000
1998 - \$73,000

D. Charles Anderson, Sr. Vice President/Cashier/ Bank
Security Officer/Bank Secrecy Officer

1996 - \$53,000
1997 - \$55,000
1998 - \$58,000

Nina A. Wiley, Vice President/Asst. Cashier/Asst. Bank
Security Officer/Asst. Bank Secrecy Officer/Bank
Compliance Officer - Operations

1996 - \$38,400
1997 - \$41,000
1998 - \$43,500

Lori Yates, Vice President/CRA Officer/Bank Compliance
Officer - Loans

1996 - \$37,500
1997 - \$40,000
1998 - \$42,500

Andrew P. Pisciotto, Sr., Vice President/Branch Manager

1996 - \$34,500
1997 - \$37,000
1998 - \$39,000

Carley A. Perry, Asst. Vice President (Officer eff. 1/15/98)

1998 - \$27,000

Martha A. Boles, Asst. Vice President (Officer eff. 1/15/98)

1998 - \$33,000

PB Directors:

Robert Tucker, Chairman

Compensation:

\$150.00 per meeting attended

P. Douglas Freedle, Vice-Chairman

" "

Charles L. Hodgins

" "

H.E. McClain

" "

Jack Shoffner

" "

H. Clay Whaley, Jr.

" "

Henry C. Yates

" "

314716.06/39/0343-00

(Officers and Directors)

<u>PBC Officers/Titles:</u>	<u>Compensation:</u>
------------------------------------	-----------------------------

P. Douglas Freedle, Chairman/President/Asst. Secretary	None
--	------

B. Robert Tucker, Vice-Chairman/Vice President/Asst. Secretary/ Asst. Treasurer	None
--	------

Jack A. Shoffner, Vice President/Secretary	None
--	------

D. Charles Anderson, Treasurer	None
--------------------------------	------

<u>PMC Officers/Titles:</u>	<u>Compensation</u>
------------------------------------	----------------------------

P. Douglas Freedle, Chairman/Vice President/Asst. Secretary/ Asst. Treasurer	None
---	------

Robert Tucker, Vice-Chairman/Vice President/Secretary	None
---	------

Jack Shoffner, President/Asst. Secretary	None
--	------

D. Charles Anderson, Treasurer	None
--------------------------------	------

Schedule 5.14

[PBC]

(Employee Benefit Plans)

Group health and dental insurance is provided through Prudential Healthcare Group - Plan #FL95-G0068277.

Life and AD&D insurance is provided through Florida Bankers Insurance Trust - Account# 00584

See other plans referred in the "Employee Benefits" section of the Employee Policy

Schedule 5.15

[PBC]

(Material Contracts)

Kirchman Corporation

Southern Data Systems - BSI Forms Lending Library, BSI Forms Deposit Library,
BankPro Maintenance, Kirchman Interface Support.

Unwritten Board authorized Agreement between Public Bank and D.C. Anderson D/B/A
Total Maintenance & Cleaning Company

Board authorized and approved Agreement between Tucker Management Corporation
and Public Bank at the rate of \$500.00 a day for consulting plus reimbursement
of travel and direct expenses incurred by Bob Tucker.

Schedule 5.16

[PBC]

(Legal Proceedings)

Letter from legal counsel -

Brinson, Smith, Smith & Starr, P.A. dated February 11, 1998 ,

Mathews, Railey & DeCubellis dated February 10, 1998

Fowler, White, Gillen, Boggs, Villareal and Banker, P.A. dated January 22, 1998

Smith, MacKinnon, Greeley, Bowdoin & Edwards dated January 22, 1998

384718.06/59/05443.00

Schedule ~~500~~ 5.20

[PBC]

(Offices)

(1) Main Office:

2500-13th Street
St. Cloud, FL 34769

(2) Branch Office:

737 W. Oak Street
Kissimmee, FL 34741

384718.06/59/05443-00

Schedule 7.2(f)
(Acquisition of Equity Interests)

None.

384718.06/39/05443-00

Schedule 7.2(a)

[PBC]

(Unfunded Loan Commitments to Insiders)

DIRECTORS, EXECUTIVE OFFICERS & 10% SHAREHOLDERS
JANUARY 31, 1998

<u>NAME</u>	<u>LOAN#</u>	<u>CURRENT BALANCE AND UNUSED LINE AMOUNT</u>	<u>CURRENT BALANCE</u>	<u>MATURITY</u>	<u>COLLATERAL</u>
McClain, Howard E/Lynn B.	0110519161	\$30,000.00	\$ 2,662.50	02/01/03	2nd Mortgage
Whaley, K. Clay, Jr.	Unknown	\$40,000.00*	\$ 0.00	Not closed	

*Approved at the Board of Directors Meeting of February 19, 1998.

244718.06/59/03443-00

Schedule 6.3

[ANB]

**(ANB Performance Share Plan and Deferred Compensation Plan
for Directors who are not Employees of ANB)**

344422.CS/59/5443-32

Schedule 6.5

[ANB]

(Financial Statements and Regulatory Reports)

344422.08/59/5443-32

Schedule 6.7
(Changes or Events)

[ANB]

None.

344422.01/59/5443-32

Schedule 6.12.
(Compliance with Laws)

[ANB]

None.

344422.00/59/5443-32

Schedule 6.16
(Legal Proceedings)

[ANB]

16-11115/65/70711111

POWLER WHITE

06/02/98 TUE 15:44 FAX 8132298313

Schedule 7.2(f)
(Acquisition of Equity Interests)

None.

344718.06/59/05443-00

Schedule 7.2(m)

(PBC)

(Unfunded Loan Commitments to Insiders)

DIRECTORS, EXECUTIVE OFFICERS & 10% SHAREHOLDERS
JANUARY 31, 1998

<u>NAME</u>	<u>LOAN#</u>	<u>CURRENT BALANCE AND UNUSED LINE AMOUNT</u>	<u>CURRENT BALANCE</u>	<u>MATURITY</u>	<u>COLLATERAL</u>
McClain, Howard E/Lynn B.	0110519161	\$30,000.00	\$ 2,662.50	02/01/03	2nd Mortgage
Whaley, H. Clay, Jr.	Unknown	\$40,000.00*	\$ 0.00	Not closed	

*Approved at the Board of Directors Meeting of February 19, 1998.

314718.06/19/03443-00