

H.39190

Document Number Only

CT Corporation System
660 East Jefferson Street
Tallahassee, FL 32301
Tel 850 222 1092
Fax 850 222 7615
Attn: Jeff Netherton

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-01/29/99--01080--015
*****70.00 *****70.00

CORPORATION(S) NAME

City Financial Corp. of Tampa
Merging: DASCO Merger Corp.

FILED
99 JAN -29 PM 8:46
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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| <input type="checkbox"/> Profit | <input type="checkbox"/> Amendment | <input checked="" type="checkbox"/> Merger |
| <input type="checkbox"/> Nonprofit | | |
| <input type="checkbox"/> Foreign | <input type="checkbox"/> Dissolution/Withdrawal | <input type="checkbox"/> Mark |
| | <input type="checkbox"/> Reinstatement | |
| <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Annual Report | <input type="checkbox"/> Other |
| <input type="checkbox"/> LLC | <input type="checkbox"/> Name Registration | <input type="checkbox"/> Change of RA |
| | <input type="checkbox"/> Fictitious Name | <input type="checkbox"/> UCC |
| <input type="checkbox"/> Certified Copy | <input type="checkbox"/> Photocopies | <input type="checkbox"/> CUS |
| <input type="checkbox"/> Call When Ready | <input type="checkbox"/> Call If Problem | <input type="checkbox"/> After 4:30 |
| <input checked="" type="checkbox"/> Walk In | <input type="checkbox"/> Will Wait | <input checked="" type="checkbox"/> Pick Up |
| <input type="checkbox"/> Mail Out | | |

Name _____
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Examiner _____
Updater _____
Verifier _____
Acknowledgement _____
W.P. Verifier _____

01/29/99

RECEIVED
99 JAN 29 PM 2:47
DEPARTMENT OF STATE
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

*00789, 02633, 00672

ARTICLES OF MERGER
Merger Sheet

MERGING: -----

DASCO MERGER CORP., a Florida corporation P98000096241

INTO

CITY FINANCIAL CORP. OF TAMPA, a Florida corporation, H39190.

File date: January 29, 1999

Corporate Specialist: Annette Ramsey



FLORIDA DEPARTMENT OF STATE

Katherine Harris
Secretary of State

February 1, 1999

CT Corporation System
660 East Jefferson St.
Tallahassee, FL 32301

SUBJECT: CITY FINANCIAL CORP. OF TAMPA
Ref. Number: H39190

We have received your document for CITY FINANCIAL CORP. OF TAMPA and your check(s) totaling \$70.00. However, the enclosed document has not been filed and is being returned for the following correction(s):

Section 607.1101(3)(a), Florida Statutes provides that a plan of merger may set forth amendments to, or a restatement of the articles of incorporation of the surviving corporation. Therefore, if the articles of incorporation of the merging corporation will become the articles of incorporation of the surviving corporation, please add an exhibit titled Restated Articles of Incorporation which include the provisions of the restated articles currently in effect for the surviving corporation. If the registered agent is also changing, the signature of the new agent is required, along with a statement that he/she is familiar with and accepts the obligations of the position.

If you have any questions concerning the filing of your document, please call (850) 487-6907.

Annette Ramsey
Corporate Specialist

Letter Number: 499A00004297



ARTICLES OF MERGER OF
DASCO MERGER CORP.
INTO
CITY FINANCIAL CORP. OF TAMPA

The undersigned corporations, pursuant to Sections 607.221 of the Florida Business Corporation Act, for the purpose of merging DASCO Merger Corp., a Florida corporation ("DASCO"), into City Financial Corp. of Tampa, a Florida corporation ("CFCT"), which is the surviving corporation in such merger, hereby execute the following Articles of Merger:

1. The plan of merger is set forth in the Agreement and Plan of Merger (excluding exhibits and schedules) attached hereto as Exhibit A, which is made a part hereof.

2. The Plan of Merger was approved by written consent of the sole shareholder of DASCO as of December 14, 1998, and by the requisite vote of shareholders of CFCT entitled to vote at a meeting duly held on January 7, 1999, all in accordance with Section 607.221 of the Florida Business Corporation Act.

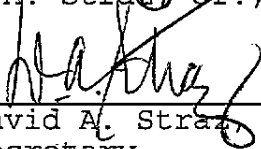
3. The effective date of the merger shall be as of January 31, 1999.

4. There were no dissenting shareholders of either corporation.


IN WITNESS WHEREOF, the parties hereto have caused these
Articles of Merger to be executed as of the 29th day of January,
1999.


DASCO MERGER CORP.
a Florida corporation

By: 
David A. Straz, Jr., President

Attest: 
David A. Straz, Jr.,
Secretary

CITY FINANCIAL CORP. OF TAMPA
a Florida corporation

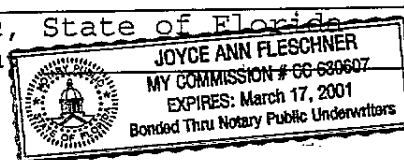
By: 
F.R. LeVarge, President

Attest: 
Thomas D. Casper, Secretary

STATE OF FLORIDA)
) ss.
_____ COUNTY)

Personally appeared before me this 22 day of January, 1999 the above named David A. Straz, Jr. to me known to be the President and Secretary of DASCO Merger Corp., a Florida corporation, and who executed the foregoing instrument and acknowledged same on behalf of said corporation.

Joyce Ann Fleschner
Notary Public, State of Florida
My Commission

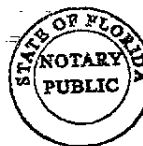


STATE OF FLORIDA)
Hillsborough) ss.
COUNTY)

Personally appeared before me this 22nd day of January, 1999 the above named F.R. LeVarge and Thomas D. Casper to me known to be the President and Secretary, respectively, of City Financial Corp. of Tampa, a Florida corporation, and who executed the foregoing instrument and acknowledged same on behalf of said corporation.

Barbara Rusnak
Notary Public, State of Florida
My Commission: _____

This document was drafted by:
Kenneth V. Hallett
QUARLES & BRADY LLP
411 East Wisconsin Avenue
Milwaukee WI 53202-4497



BARBARA RUSNAK
My Comm Exp. 11/30/99
Bonded By Service Ins
No. CC513453

☐ Personally Known ☐ Other I.D.

EXHIBIT A

AGREEMENT AND PLAN OF MERGER

by and among

DAVID A. STRAZ, JR.,

DASCO MERGER CORP.

and

CITY FINANCIAL CORP. OF TAMPA

DATED AS OF NOVEMBER 24, 1998

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER is made as of this 24th day of November, 1998 by and among DAVID A. STRAZ, JR., DASCO MERGER CORP., and CITY FINANCIAL CORP. OF TAMPA.

RECITALS

WHEREAS, the respective Boards of Directors of Merger Corp. and CFCT have approved this Agreement by the requisite vote imposed by Law, and deem it advisable and in the best interest of their respective institutions and shareholders, as the case may be, to consummate the reorganization provided for herein, pursuant to which Merger Corp. will merge with and into CFCT, the Surviving Corporation, and in connection therewith the CFCT Shareholders will receive cash in exchange for their shares of CFCT Common Stock (except as otherwise provided herein);

WHEREAS, the Board of Directors of CFCT has directed that this Agreement and the transactions described in this Agreement be submitted for approval at the CFCT Meeting; and

WHEREAS, Straz is the owner of all of the outstanding common shares of Merger Corp., and all of the shares of Merger Corp. Common Stock will be converted into shares of CFCT as the Surviving Corporation.

NOW, THEREFORE, in consideration of the Recitals and of the mutual covenants, conditions and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed that:

ARTICLE I DEFINITIONS

When used in this Agreement, the following terms shall have the meanings specified:

Acquisition. "Acquisition" shall mean any of the following involving CFCT or the Bank:

(a) any merger, consolidation, share exchange, business combination or other similar transaction;

(b) any sale, lease, exchange, mortgage, pledge, transfer or other disposition of 5% or more of assets in a single transaction or series of related transactions, excluding any such transactions undertaken in the ordinary course of business and consistent with past practice;

(c) any sale by CFCT or the Bank of 5% or more of the outstanding shares of capital stock (or securities convertible or exchangeable into or otherwise evidencing, or an agreement or instrument evidencing, the right to acquire capital stock);

(d) any tender offer or exchange offer for 5% or more of the outstanding shares of capital stock;

(e) any solicitation of proxies in opposition to approval by CFCT's shareholders of the Merger;

(f) any Person shall acquire (other than by operation of law) beneficial ownership or the right to acquire beneficial ownership of, or any "group" (as such term is defined under Section 13(d) of the Securities Exchange Act of 1934 and the rules and regulations thereunder) shall have been formed which beneficially owns or has the right to acquire beneficial ownership of 10% or more of the then outstanding shares of capital stock; or

(g) any public announcement by, or with the approval or participation of, CFCT, the Bank or an Affiliate of CFCT or the Bank, of a proposal, plan or intention to do any of the foregoing.

Acquisition Proposal. "Acquisition Proposal" shall mean the making of any proposal by any Person concerning an Acquisition.

Affiliate. "Affiliate" shall mean, with respect to any Person, any other Person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the first Person, including without limitation all directors and executive officers of the first Person.

Agreement. "Agreement" shall mean this Agreement and Plan of Merger, together with the Exhibits attached hereto and together with the Disclosure Schedule, as the same may be amended or supplemented from time to time in accordance with the terms hereof.

Bank. "Bank" shall mean City First Bank, a Florida state chartered bank which is a wholly-owned subsidiary of CFCT.

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

Buildings. "Buildings" shall mean all buildings, fixtures, structures and improvements used by CFCT or an Affiliate and located on the CFCT Real Estate.

CERCLA. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as the same may be in effect from time to time.

Certain Shareholders. "Certain Shareholders" shall mean Charles E. Bergman, Thomas D. Casper, Mark W. Curry, Jr., Daniel B. Curtis, Bernell D. Gardner, Fredric R. LeVarge, Lincoln S. LeVarge and Henry W. Meister, each of whom is a CFCT Shareholder.

CFCT. "CFCT" shall mean City Financial Corp. of Tampa, a Florida corporation.

CFCT Closing Certificate. "CFCT Closing Certificate" shall mean the Closing Certificate of CFCT in substantially the form of Exhibit 1 attached to this Agreement.

CFCT Common Stock. "CFCT Common Stock" shall mean all of the authorized shares of common stock, ten cents par value per share, of CFCT.

CFCT Counsel Opinion. "CFCT Counsel Opinion" shall mean an opinion of Werner & Blank Co., L.P.A. in substantially the form of Exhibit 2 attached to this Agreement.

CFCT Contracts. "CFCT Contracts" shall mean those Contracts which are listed and briefly described pursuant to Section 4.11 of this Agreement on the Disclosure Schedule.

CFCT Indebtedness. "CFCT Indebtedness" shall mean all Indebtedness of CFCT and the Bank, all of which is listed and briefly described on the Disclosure Schedule.

CFCT Insurance Policies. "CFCT Insurance Policies" shall mean all of the insurance policies in effect and owned by CFCT or the Bank, all of which are listed and briefly described on the Disclosure Schedule.

CFCT Investment Securities. "CFCT Investment Securities" shall mean Investment Securities of CFCT and the Bank, all of which are listed and briefly described on the Disclosure Schedule.

CFCT Liens. "CFCT Liens" shall mean all Liens affecting any of the assets and properties of CFCT or the Bank except for Liens for current taxes not yet due and payable, pledges to secure deposits and such minor imperfections of title, easements and other encumbrances, if any, as do not materially detract from the value of or interfere with the present use of the property affected thereby, all of which are listed and briefly described on the Disclosure Schedule.

CFCT Litigation. "CFCT Litigation" shall mean all pending or threatened claims, suits, audit inquiries, charges, workers compensation claims, litigation, arbitrations, proceedings, governmental investigations, citations and actions of any kind against CFCT or the Bank, or affecting any assets or the business of CFCT or the Bank, all of which are listed and briefly described on the Disclosure Schedule.

CFCT Permits. "CFCT Permits" shall mean all Permits of CFCT and the Bank, all of which are listed and briefly described on the Disclosure Schedule.

CFCT Plans. "CFCT Plans" shall mean all Employee Benefit Plans of CFCT or the Bank which are currently in effect or which have been terminated since January 1, 1994, all of which are listed and briefly described on the Disclosure Schedule.

CFCT Meeting. "CFCT Meeting" shall mean the special or annual meeting of the CFCT Shareholders for the purpose of approving the Merger, this Agreement and the transactions contemplated by this Agreement, and for such other purposes as may be necessary or desirable.

CFCT Real Estate. "CFCT Real Estate" shall mean the parcels of real property identified in the legal descriptions set forth in the Disclosure Schedule.

CFCT Reports. "CFCT Reports" shall have the meaning specified in Section 4.8 of this Agreement.

CFCT Shareholders. "CFCT Shareholders" shall mean all Persons owning shares of CFCT Common Stock on the relevant date of inquiry.

CFCT Special Event. "CFCT Special Event" shall have the meaning specified in Section 3.5 of this Agreement.

CFCT Subsidiaries. "CFCT Subsidiaries" shall mean those Subsidiaries of CFCT listed on the Disclosure Schedule pursuant to Section 4.1(c) of this Agreement.

Closing. "Closing" shall mean the conference to be held at 10:00 A.M., Central Time, on the Closing Date at the offices of Quarles & Brady LLP, 411 East Wisconsin Avenue, Milwaukee, Wisconsin 53202, or such other time and place as the parties may mutually agree to in writing, at which the transactions contemplated by this Agreement shall be consummated.

Closing Date. "Closing Date" shall mean the date of the Effective Time or such other date as the parties may mutually agree to in writing.

Code. "Code" shall mean the Internal Revenue Code of 1986, as the same may be in effect from time to time.

Contracts. "Contracts" shall mean all of the contracts, agreements, leases, relationships and commitments, written or oral, to which the relevant Person is a party or by which it is bound.

Disclosure Schedule. "Disclosure Schedule" shall mean the disclosure schedule, dated the date of this Agreement, delivered by CFCT to Straz and Merger Corp. contemporaneously with the execution of this Agreement and as the same may be amended from time to time after the date of this Agreement and prior to the Closing Date in accordance with the terms of this Agreement.

Effective Time. "Effective Time" shall have the meaning specified in Section 2.3 of this Agreement.

Employee Benefit Plans. "Employee Benefit Plans" shall mean any pension plan, profit sharing plan, bonus plan, incentive compensation plan, deferred compensation plan, stock ownership plan, stock purchase plan, stock option plan, stock appreciation plan, employee benefit plan, employee benefit policy, retirement plan, fringe benefit program, insurance plan, severance plan,

disability plan, health care plan, sick leave plan, death benefit plan, or any other plan or program to provide retirement income, fringe benefits or other benefits to former or current employees of the relevant Person.

Environmental Claim, Environmental Laws, Environmental Permits and Environmental Release. "Environmental Claim," "Environmental Laws," "Environmental Permits" and "Environmental Release" shall have the meanings specified in Section 4.29 of this Agreement.

Equipment. "Equipment" shall mean all equipment, boilers, furniture, fixtures, motor vehicles, furnishings, office equipment, computers and other items of tangible personal property owned by the relevant Person which are either presently used, or are used on the Closing Date, by the relevant Person in the conduct of its business.

ERISA. "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as in effect from time to time.

FBCA. "FBCA" shall mean the Florida Business Corporation Act.

FDIC. "FDIC" shall mean the Federal Deposit Insurance Corporation.

Florida Regulatory Agency. "Florida Regulatory Agency" shall mean the Florida Department of Banking and Finance.

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

GAAP. "GAAP" shall mean generally accepted accounting principals.

Hazardous Material. "Hazardous Material" shall have the meaning specified in Section 4.29 of this Agreement.

Indebtedness. "Indebtedness" shall mean all liabilities or obligations (except deposit accounts) of the relevant Person, whether primary or secondary, absolute or contingent: (a) for borrowed money; (b) evidenced by notes, bonds, debentures or similar instruments; or (c) secured by Liens on any assets of the relevant Person.

Investment Securities. "Investment Securities" shall mean all investment securities of the relevant Person permitted to be held by the relevant Person under Law.

IRS. "IRS" shall mean the United States Internal Revenue Service.

Law. "Law" shall mean any federal, state, local or other law, rule, regulation, policy or governmental requirement of any kind, and the rules, regulations and orders promulgated thereunder by any regulatory agencies or other Persons.

Lien. "Lien" shall mean, with respect to any asset: (a) any mortgage, pledge, lien, charge, claim, restriction, reservation, condition, easement, covenant, lease, encroachment, title defect, imposition, security interest or other encumbrance of any kind; and (b) the interest of a vendor or lessor under any conditional sale agreement, financing lease or other title retention agreement relating to such asset.

Material Adverse Effect. "Material Adverse Effect" shall mean any change or effect that is or is reasonably likely to be materially adverse to the relevant Person's, or its Subsidiaries, business, operations, properties (including intangible properties), condition (financial or otherwise), assets, liabilities (including contingent liabilities) or prospects.

Merger. "Merger" shall mean the merger of Merger Corp. with and into CFCT pursuant to this Agreement.

Merger Corp. "Merger Corp." shall mean DASCO Merger Corp., a Florida corporation wholly-owned by Straz, organized specifically for the purpose of effecting the transactions contemplated by this Agreement.

Noncompetition Agreement. "Noncompetition Agreement" shall mean the Noncompetition Agreement among Straz, CFCT, the Bank and the Certain Shareholders in the form of Exhibit 3 attached to this Agreement.

Paying Agent. "Paying Agent" shall mean a bank or trust company selected by Straz and reasonably satisfactory to CFCT.

Payment Fund. "Payment Fund" shall have the meaning specified in Section 2.9 of this Agreement.

Permits. "Permits" shall mean all licenses, permits, approvals, franchises, qualifications, permissions, agreements, orders and governmental authorizations required for the conduct of the business of the relevant Person.

Permitted Liens. "Permitted Liens" shall mean those of the CFCT Liens which are expressly noted as Permitted Liens on the Disclosure Schedule.

Per Share Consideration. "Per Share Consideration" shall mean (a) the sum of (i) Seventeen Million One Hundred Thousand Dollars (\$17,100,000), plus (ii) the amount of net retained earnings of the Bank between October 1, 1998 and the calendar month end immediately prior to the Effective Time of Closing, determined in accordance with GAAP, reflecting an accrual for all of the costs of the transactions contemplated by this Agreement not previously accrued by CFCT, plus (iii) the actual expenses of CFCT and the Bank for legal and investment advice relating to this Agreement accrued from October 1, 1998 through the calendar month end immediately prior to the Effective Time, but not to exceed \$193,000 on a pre-tax basis; plus (iv) the amount, if any, by which the cost of the audit required by Section 3.10 hereof exceeds \$10,000; divided by (b) the number of outstanding shares of CFCT Common Stock.

Person. "Person" shall mean a natural person, corporation, bank, trust, partnership, association, governmental entity, agency or department thereof, or any other legal entity.

Proxy Statement. "Proxy Statement" shall mean the notice of meeting and proxy statement of CFCT relating to the CFCT Meeting.

Regulatory Approvals. "Regulatory Approvals" shall mean all of the approvals which are conditions precedent to consummating the Merger, as specified in Section 7.1(c) of this Agreement.

Straz. "Straz" shall mean David A. Straz, Jr., a Florida resident individual.

Straz Closing Certificate. "Straz Closing Certificate" shall mean the Closing Certificate of Straz in substantially the form of Exhibit 4 attached to this Agreement.

Straz Counsel Opinion. "Straz Counsel Opinion" shall mean the opinion of Quarles & Brady LLP in substantially the form of Exhibit 5 attached to this Agreement.

Subsidiary. "Subsidiary" shall mean any corporation, financial institution, joint venture, partnership, limited liability company, trust or other business entity: (i) 25% or more of any outstanding class of whose voting interests is directly or indirectly owned by the relevant Person, or is held by it with power to vote; (ii) the election of a majority of whose directors, trustees, general partners or comparable governing body is controlled in any manner by the relevant Person; or (iii) with respect to the management or policies of which the relevant Person has the power, directly or indirectly, to exercise a controlling influence. Subsidiary shall include an indirect Subsidiary which is controlled in any manner specified above through one or more entities which are themselves Subsidiaries.

Superior Proposal. "Superior Proposal" shall have the meaning specified in Section 3.5(c) of this Agreement.

Surviving Corporation. "Surviving Corporation" shall have the meaning specified in Section 2.1 of this Agreement.

Voting Agreement. "Voting Agreement" shall mean the Voting Agreement among Straz and the Certain Shareholders in the form of Exhibit 6 attached to this Agreement, which is being executed contemporaneously herewith.

ARTICLE II THE MERGER

2.1 The Merger. This Agreement provides for the merger of Merger Corp. with and into CFCT, whereby the CFCT Common Stock outstanding as of the Effective Time will be converted to cash as described herein. As of the Effective Time, Merger Corp. will be merged with and into CFCT which, as the surviving corporation (the "Surviving Corporation"), shall remain a Florida business corporation registered under the BHCA as a bank holding company and, in such capacity, shall be governed by the laws of the State of Florida and federal Laws applicable to registered bank holding companies. The separate existence of Merger Corp. shall thereupon cease.

2.2 Effect of the Merger.

(a) At the Effective Time, the effect of the Merger shall be as provided in the FBCA, including the effects described in Sections 2.2(b) and 2.2(c) of this Agreement.

(b) The corporate identity, existence, purposes, powers, franchises, privileges, assets, properties and rights of both CFCT and Merger Corp. shall be merged into and continued in the Surviving Corporation, and the Surviving Corporation shall be fully vested therewith. The separate existence of Merger Corp., except insofar as otherwise specifically provided by Law, shall cease at the Effective Time, whereupon Merger Corp. and the Surviving Corporation shall be and become one single corporation.

(c) At the Effective Time, the Surviving Corporation shall succeed to, without other transfer, and shall possess and enjoy, all the rights, privileges, assets, properties, powers and franchises both of a public and a private nature, and be subject to all the restrictions, disabilities and duties of CFCT and Merger Corp., and all the rights, privileges, assets, properties, powers and franchises of CFCT or Merger Corp. and all property, real, personal and mixed, tangible or intangible, and all debts due to CFCT or Merger Corp. on whatever account, shall be vested in the Surviving Corporation; and all rights, privileges, assets, properties, powers and franchises, and all and every other interest shall be thereafter as effectively the property of the Surviving Corporation as they were of CFCT or Merger Corp.; and the title to or any interest in any real estate vested by deed or otherwise in CFCT or Merger Corp. shall not revert or be in any way impaired by reason of the Merger; provided, however, that all rights of creditors and Liens upon any property of either CFCT or Merger Corp. shall be preserved unimpaired, and all debts, liabilities and duties of CFCT or Merger Corp. shall thenceforth attach to the Surviving Corporation and may be enforced against the Surviving Corporation to the same extent as if said debts, liabilities and duties had been incurred or contracted by the Surviving Corporation.

2.3 Effective Time. The consummation of the Merger shall be effected as promptly as practicable after the satisfaction or waiver of the conditions set forth in Article VII of this Agreement. The Merger shall become effective on the date and time specified in Articles of Merger to be filed with the Florida Department of State. The date and time on which the Merger shall become effective is referred to in this Agreement as the "Effective Time."

2.4 Articles and Bylaws of Surviving Corporation.

(a) The Articles of Incorporation of Merger Corp. as in effect immediately prior to the Effective Time shall be the Articles of Incorporation of the Surviving Corporation until amended in accordance with Law, except that the name of the corporation shall be changed to City Financial Corp. of Tampa. A copy of said Restated Articles of Incorporation is attached hereto as Annex I.

(b) The Bylaws of Merger Corp. as in effect immediately prior to the Effective Time shall be the Bylaws of the Surviving Corporation until amended in accordance with Law, except that the name of the corporation identified therein shall be changed to City Financial Corp. of Tampa.

2.5 Directors and Officers of Surviving Corporation. As of the Effective Time, the duly qualified and acting directors and officers of Merger Corp. immediately prior to the Effective Time shall be the directors and officers of the Surviving Corporation, to hold office as provided in the Bylaws of the Surviving Corporation.

2.6 Conversion of CFCT Common Stock. At the Effective Time, and without any action on the part of the holders thereof:

(a) (i) Except as provided in (ii) or (iii) below, each share of CFCT Common Stock shall be converted into the right to receive cash in an amount equal to the Per Share Consideration in the manner and form, and on the terms and conditions, set forth in this Agreement. (ii) Each share of CFCT Common Stock as to which dissenters' rights have been validly exercised pursuant to the FBCA shall be converted into cash in the amount determined pursuant to the appropriate provisions of the FBCA. (iii) Each share of CFCT Common Stock owned by Straz shall be cancelled.

(b) All such shares of CFCT Common Stock shall no longer be outstanding and shall automatically be cancelled and retired and shall cease to exist. Each certificate previously representing any such shares shall thereafter represent the right to receive the consideration provided in Section 2.6(a) above.

(c) Each share of CFCT Common Stock held in the treasury of CFCT or owned by CFCT or any CFCT Subsidiary for its own account immediately prior to the Effective Time shall be canceled and extinguished without any conversion thereof and no payment shall be made with respect thereto.

2.7 Conversion of Stock of Merger Corp. At the Effective Time, each share of common stock of Merger Corp. then issued and outstanding, without any action on the part of the holder thereof, shall be converted into one share of common stock of the Surviving Corporation.

2.8 Meeting of CFCT Shareholders.

(a) CFCT will promptly take all steps necessary to cause the CFCT Meeting to be duly called, noticed, and held as soon as practicable and, in any event, no later than 30 days after the date of notice thereof (or such shorter period as may be consistent with Law and reasonable under the circumstances), for the purpose of voting to approve this Agreement, the Merger and all matters related thereto. In connection with the CFCT Meeting, the Board of Directors of CFCT will recommend to the CFCT Shareholders that they vote in favor of the approval of this Agreement, the Merger and all matters related thereto.

(b) In connection with the CFCT Meeting, CFCT will prepare and cause to be mailed to the CFCT Shareholders the Proxy Statement as soon as practicable and, in any event, shall cause such Proxy Statement to be mailed no later than 15 days after the date of this Agreement. Straz and Merger Corp. shall provide CFCT with any information for inclusion in the Proxy Statement which is required by Law or which is reasonably requested by CFCT. CFCT shall consult with Straz with respect to the Proxy Statement and shall afford Straz and his counsel reasonable opportunity to comment thereon. If, at any time prior to the CFCT Meeting, any event should occur relating to CFCT which should be set forth in an amendment of, or a supplement to, the Proxy Statement, CFCT will promptly inform Straz. In each such case, CFCT, with the cooperation of Straz, will promptly prepare and mail such amendment or supplement and CFCT shall consult with Straz with respect to such supplement or amendment and shall afford Straz reasonable opportunity to comment thereon prior to such mailing. CFCT shall notify Straz at least 48 hours prior to the mailing of the Proxy Statement, or any amendment or supplement thereto, to the CFCT Shareholders.

(c) The Voting Agreement is being executed contemporaneously herewith. CFCT will use its best efforts to secure the required approval of CFCT Shareholders and to assure that the Certain Shareholders comply with the provisions of the Voting Agreement, which is being executed contemporaneously herewith.

2.9 Payment of Consideration. At the Closing and prior to the Effective Time, Straz shall deliver to the Paying Agent, by a wire transfer of immediately available funds to an account designated by the Paying Agent, an amount (such amount is referred to as the "Payment Fund") equal to the Per Share Consideration times the result of the number of shares of CFCT Common Stock outstanding minus those shares owned by Straz.

2.10 Surrender of Certificates.

(a) Not later than the date of the Effective Time, the Paying Agent shall mail or otherwise provide each CFCT Shareholder a form of letter of transmittal and instructions for use in effecting the surrender of CFCT Common Stock certificates for payment. Upon surrender to the Paying Agent of such certificates, together with such letter of transmittal, duly executed, the Paying Agent shall promptly pay to the CFCT Shareholder entitled thereto, in cash, the Per Share Consideration multiplied by the number of shares of CFCT Common Stock covered by such surrendered certificates and transmittal letters. The Surviving Corporation will comply with the provisions of the FBCA with respect to any dissenting shares.

(b) Until surrendered, each outstanding certificate, which prior to the Effective Time represented shares of CFCT Common Stock, shall be deemed to represent and evidence only the right to receive the consideration to be paid therefor as set forth in Section 2.6 of this Agreement and until such surrender, no cash shall be paid to the holder of such outstanding certificate in respect thereof.

(c) If payment of cash is to be made to a Person other than the Person in whose name the certificate surrendered is registered, it shall be a condition to such payment that the certificate so surrendered shall be properly endorsed and otherwise in proper form for transfer, and that the Person requesting such payment shall (i) pay to the Paying Agent any transfer or other taxes required by reason of payment to a person other than the registered holder of the certificates surrendered, (ii) authorize the Paying Agent to deduct any such taxes from such payment, or (iii) establish to the satisfaction of the Paying Agent that such tax has been paid or is not applicable.

(d) No interest shall accrue or be payable with respect to any amounts which any holder of shares of CFCT Common Stock shall be entitled to receive pursuant to this Agreement.

(e) After the Effective Time, there shall be no transfers on the stock transfer books of the Surviving Corporation of the shares of CFCT Common Stock which were outstanding immediately prior to the Effective Time. If, after the Effective Time, certificates representing such shares are presented to the Surviving Corporation, they shall be canceled and exchanged for cash as provided in this Agreement.

(f) Any portion of the Payment Fund which remains undistributed to CFCT shareholders six (6) months after the Effective Time shall be returned, at Straz's request, by the Paying Agent to Straz, who thereafter shall act as paying agent subject to the rights of holders of unsurrendered certificates of CFCT Common Stock under this Article II and subject to applicable Law. Notwithstanding the foregoing, neither Straz, the Paying Agent, nor any other party hereto shall be responsible or liable to any holder of CFCT Common Stock for any cash delivered to any public official pursuant to any abandoned property, escheat or similar Law.

(g) Straz and the Paying Agent shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of CFCT Common Stock such amounts as Straz is required to deduct and withhold with respect to the making of such payment under the Code, or any provision of state, local or foreign tax Law. To the extent that amounts are so withheld by Straz or the Paying Agent, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of the CFCT Common Stock in respect of which such deduction and withholding was made by Straz or the Paying Agent.

(d) In the event any certificate representing shares of CFCT Common Stock shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to be lost, stolen or destroyed and, if required by Straz, the posting by such person of a bond in such amount as Straz may reasonably direct as indemnity against any claim that may be made against him or the Paying Agent with respect to such certificate, the Paying Agent will issue in exchange for such lost, stolen or destroyed certificate the consideration deliverable in respect thereof pursuant to this Agreement. Straz, or his authorized agent, shall respond promptly to any inquiry relating to the need for an indemnity bond in any particular situation.

**ARTICLE III
OTHER AGREEMENTS**

3.1 Access. Upon reasonable notice, CFCT shall afford to Straz's and Merger Corp.'s officers, employees, accountants, legal counsel and other representatives full access to all of CFCT's and the Bank's properties, books, contracts, commitments and records.

3.2 Disclosure Schedule.

(a) Contemporaneously with the execution and delivery of this Agreement, CFCT is delivering to Straz the Disclosure Schedule, which is accompanied by a certificate signed by the Chief Executive Officer and the Secretary of CFCT stating that the Disclosure Schedule is being delivered pursuant to this Agreement and is the Disclosure Schedule referred to herein. The Disclosure Schedule is deemed to constitute an integral part of this Agreement and to modify the representations, warranties, covenants or agreements of CFCT contained in this Agreement to the extent that such representations, warranties, covenants or agreements expressly refer to the Disclosure Schedule.

(b) Updates. Prior to the Closing Date, CFCT shall update the Disclosure Schedule on a monthly basis by written notice to Straz to reflect any matters which have occurred from and after the date of this Agreement which, if existing on the date of this Agreement, would have been required to be described in the Disclosure Schedule. Such updates shall not have the effect of amending any representation or warranties under this Agreement.

3.3 Duties Concerning Representations. Each party to this Agreement shall: (a) to the extent within its control, use best efforts to cause all of its representations and warranties contained in this Agreement to be true and correct in all respects at the Effective Time with the same force and effect as if such representations and warranties had been made on and as of the Effective Time; (b) use best efforts to cause all of the conditions precedent set forth in Article VII of this Agreement to be satisfied.

3.4 Deliveries of Information; Consultation. From time to time prior to the Effective Time:

(a) Deliveries by CFCT. To the extent permitted by Law, CFCT shall furnish promptly to Straz (and if not so permitted, shall provide Straz access to): (i) a copy of each report, schedule and other document filed by or received by CFCT or the Bank pursuant to the requirements of federal or state financial institution Laws or any other applicable Laws promptly after such documents are available; (ii) its consolidated monthly financial statements (as prepared in accordance with its normal accounting procedures) promptly after such financial statements are available; (iii) a summary of any action taken by CFCT or the Bank's Board of Directors, or any committee thereof; and (iv) all other information concerning CFCT and the Bank's business, properties and personnel as Straz may reasonably request.

(b) Consultation. Representatives of CFCT and Straz shall confer and consult with one another on a regular and frequent basis to report on operational matters and the general status of CFCT's and the Bank's ongoing business operations.

(c) Regulatory Matters. Representatives of CFCT and Straz shall discuss with one another any matters in which any state or federal regulator of CFCT or the Bank is involved, to the extent permitted by Law.

(d) Litigation. Each party to this Agreement shall provide prompt notice to the other party of any litigation, arbitration, proceeding, governmental investigation, citation or action of any kind which may be commenced, threatened or proposed by any Person concerning the legality, validity or propriety of the transactions contemplated by this Agreement. If any such litigation is commenced against any party to this Agreement, the parties shall cooperate in all respects in connection with such litigation and Straz shall have the right (but not the obligation) to assume the defense thereof.

(e) Delivery of CFCT Shareholder List. CFCT shall deliver to Straz or its designee a true and complete list setting forth the names and addresses of the CFCT Shareholders of record, their holdings of stock as of the latest practicable date, and such other shareholder information as Straz reasonably may request.

(f) Acquisitions. CFCT shall notify Straz immediately: (i) of any Acquisition Proposal; (ii) of any inquiry, form, schedule or report received from any Person concerning an Acquisition or an Acquisition Proposal; (iii) of

any request from any Person for confidential information concerning CFCT or the Bank; and (iv) if any Person seeks to initiate or continue any discussions or negotiations concerning an Acquisition or an Acquisition Proposal.

3.5. Acquisition Proposals.

(a) Acquisition Proposal. CFCT shall not, and shall cause its and the Bank's officers, directors, employees, agents and representatives (including, without limitation, any investment banker, attorney or accountant retained or engaged by CFCT) to not: (A) initiate or solicit any inquiries concerning an Acquisition or an Acquisition Proposal; or (B) facilitate any effort or attempt to make or implement an Acquisition Proposal in which CFCT is the acquiror. CFCT shall immediately cease or cause to be terminated any existing activities, discussions or negotiations with any Person with respect to any of the foregoing activities.

(b) Special Fee. In order to induce Straz to enter into this Agreement and to compensate Straz for the time and expenses incurred in connection with this Agreement and the transactions contemplated by this Agreement and the losses suffered by Straz from foregone opportunities, if the Closing has not occurred on or before June 30, 1999, and a "CFCT Special Event" (as defined below) has occurred, CFCT shall pay to Straz on June 30, 1999, \$1,000,000 in immediately available funds; provided, however, that if prior to June 30, 1999 CFCT notifies Straz that it cannot consummate the Merger because of a CFCT Special Event, then CFCT shall pay to Straz \$1,000,000 in immediately available funds within three business days following the date of such notice.

For purposes of the foregoing, "CFCT Special Event" shall mean any of the following to occur on or prior to June 30, 1999: (i) a Person which is not an Affiliate of Straz has publicly announced or proposed (with the approval or participation of CFCT, the Bank or any Affiliate of CFCT or the Bank), or consummated, a purchase, exchange or tender offer for shares of CFCT Common Stock representing, on a fully diluted basis, more than 10% of the outstanding shares of CFCT Common Stock, which causes the Merger not to be consummated; or (ii) a Person that is not an Affiliate of Straz has entered into an agreement with respect to a merger, share exchange, consolidation, reorganization, combination or similar transaction involving CFCT or the Bank or a purchase, lease or other acquisition of all or

any significant portion of the assets of, or an equity interest (or an option, warrant or securities convertible into an equity interest) from, CFCT or the Bank, which causes the Merger not to be consummated; or (iii) CFCT shall have caused the Merger not to be consummated by June 30, 1999 for the purposes of pursuing any proposal by any Person concerning (i) or (ii) above; or (iv) the transactions contemplated by this Agreement shall not have been approved by the CFCT Shareholders in whole or in part as a result of any of the Certain Shareholders failing to comply with their obligations pursuant to the Voting Agreement.

(c) (i) Notwithstanding any other provisions of this Agreement, prior to the receipt of the approval of the CFCT Shareholders described in Section 2.8, the Board of Directors of CFCT, to the extent required by its fiduciary obligations, as determined in good faith by the Board of Directors based on the advice of counsel, may withdraw or modify its approval of the recommendation of this Agreement or the Merger, approve or recommend any Superior Proposal, enter into an agreement with respect to such Superior Proposal and terminate this Agreement, so long as concurrently with entering into any agreement with respect to a Superior Proposal, CFCT pays, or causes to be paid, to Straz the Special Fee described in Section 3.5(b) hereof. "Superior Proposal" as used herein means any bona fide written Acquisition Proposal made by a third party which the Board of Directors of CFCT determines in its good faith judgment is reasonably capable of being completed and that, taking into account all legal, financial, regulatory and other aspects of the proposal and the Person making the proposal would, if consummated, be more favorable to the CFCT shareholders from a financial point of view than the Merger.

(ii) Prior to receipt of the CFCT Shareholder approval described in Section 2.8 hereof, to the extent required by the fiduciary obligations of the Board of Directors of CFCT, CFCT may, upon receipt of an unsolicited Acquisition Proposal, and in response to it, (i) furnish information with respect to CFCT and the Bank to any Person pursuant to a customary confidentiality agreement (as determined by CFCT's counsel) and answer questions about such information and (ii) participate in negotiations regarding such unsolicited Acquisition Proposal.

3.6 Legal Conditions to Merger. Each party to this Agreement will: (a) take all reasonable actions necessary to comply promptly with all legal requirements which may be imposed on it with respect to the Merger (including making all filings

and requests in connection with the Regulatory Approvals and furnishing all information required in connection therewith); (b) promptly cooperate with and furnish information to the other party in connection with any such requirements imposed upon any of them in connection with the Merger; and (c) take all reasonable actions necessary to obtain (and will cooperate with the other party in obtaining) any consent, authorization, order or approval of, or any exemption by, any governmental entity or other public or private Person, required to be obtained by the parties to this Agreement in connection with the Merger or the taking of any action contemplated thereby or by this Agreement.

3.7 Announcements. Subject to each party's disclosure obligations imposed by Law, CFCT and Straz will cooperate with each other in the development and distribution of all news releases and other public information disclosures with respect to this Agreement or any of the transactions contemplated hereby and shall not issue any public announcement or statement with respect thereto prior to consultation with the other party.

3.8 Best Efforts. Subject to the terms and conditions of this Agreement, each of the parties agrees to use its best efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary or advisable to consummate the transactions contemplated by this Agreement.

3.9 Employee and Management Matters. Straz and Merger Corp. intend that, subject to the needs of the Surviving Corporation and the Bank, safe and sound banking practices and the advice of its regulators, that (a) the current employees of the Bank will be invited to remain as employees of the Bank, in their current positions at current salaries and with comparable benefits, and (b) Fredric R. LeVarge, together with such other directors upon which he and Straz may agree, will be elected as directors of the Surviving Corporation.

3.10 1998 Audit. CFCT agrees that it shall cause, at CFCT's sole expense, its financial statements as of, and for the year ended, December 31, 1998 to be audited, in accordance with GAAP, by James M. Harmon & Co. Ltd., or such other independent auditor as may be designated by Straz.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF CFCT

CFCT hereby represents and warrants to Straz and Merger Corp. that:

4.1 Organization and Qualification; Subsidiaries.

(a) CFCT is a corporation duly organized, validly existing and in active status under the Laws of the State of Florida, and is a registered bank holding company under the BHCA. The Bank is a bank duly organized, validly existing and in good standing under the Laws of the State of Florida. The deposits of the Bank are insured by the FDIC as permitted by federal Law, and the Bank has paid all premiums and assessments required thereunder. CFCT has no subsidiaries other than the Bank, and the Bank has no subsidiaries. Each of CFCT and the Bank has the requisite corporate power and authority and is in possession of all franchises, grants, authorizations, licenses, permits, easements, consents, certificates, approvals and orders necessary to own, lease and operate its properties and to carry on its business as it is now being conducted, including appropriate authorizations from the FRB, the FDIC and the Florida Regulatory Agency, except where a failure to be so organized, existing and in good standing or to have such power, authority and approvals would not, individually or in the aggregate, have a Material Adverse Effect on CFCT and the Bank, taken as a whole, and neither CFCT nor the Bank has received any notice of proceedings relating to the revocation or modification of any of such approvals.

(b) Each of CFCT and the Bank is duly qualified or licensed as a foreign corporation to conduct business, and is in good standing (or the equivalent thereof) in each jurisdiction where the character of the properties it owns, leases or operates, or the nature of the activities it conducts make such qualification or licensing necessary, except for such failures to be so duly qualified and licensed and in good standing that would not, either individually or in the aggregate, have a Material Adverse Effect on CFCT or the Bank.

(c) CFCT owns beneficially and of record all of the outstanding shares of capital stock of the Bank. CFCT does not own, and has never owned, directly or indirectly any equity or similar interests in, or any interests convertible into or exchangeable or exercisable for any equity or similar interest in, any corporation, partnership, limited liability company, joint venture or other business association or entity other than the Bank or in the ordinary course of business and then in no

event in excess of 5% of the outstanding equity or voting securities of such entity.

4.2 Articles of Incorporation and Bylaws. CFCT heretofore has furnished to Straz a complete and correct copy of the Articles of Incorporation and Bylaws, as amended or restated, of CFCT and the Bank. Such Articles of Incorporation and Bylaws are in full force and effect. Neither CFCT nor the Bank is in violation of any of the provisions of its Articles of Incorporation or Bylaws.

4.3 Capitalization. The authorized capital stock of CFCT consists of 1,000,000 shares of CFCT Common Stock, par value ten cents per share. As of the date of this Agreement, (a) 526,255 shares of CFCT Common Stock are issued and outstanding, all of which are duly authorized, validly issued, fully paid and non-assessable, and not issued in violation of any preemptive right of any CFCT Shareholder and (b) no shares of CFCT Common Stock are held in the treasury of CFCT. The authorized capital stock of the Bank consists of 300,000 shares of common stock, par value \$4.00 per share. As of the date of this agreement, 200,000 shares of Bank common stock are issued and outstanding, all of which are duly authorized, validly issued, fully paid and nonassessable, and not issued in violation of any preemptive right of any shareholder of the Bank. There are no options, warrants or other rights, agreements, arrangements or commitments of any character, including without limitation voting agreements or arrangements, relating to the issued or unissued capital stock of CFCT or the Bank or obligating CFCT or the Bank to issue or sell any shares of capital stock of, or other equity interests in, CFCT or the Bank. There are no obligations, contingent or otherwise, of CFCT or the Bank to repurchase, redeem or otherwise acquire any shares of CFCT Common Stock or the capital stock of the Bank or to provide funds to or make any investment (in the form of a loan, capital contribution or otherwise) in the Bank or any other entity. All of the shares of the Bank are owned by CFCT free and clear of all security interests, liens, claims, pledges, agreements, limitations of CFCT's voting rights, charges or other encumbrances of any nature whatsoever. Except as set forth in the Disclosure Schedule, neither CFCT nor the Bank has issued an equity securities since January 1, 1992.

4.4 Authorization: Enforceability. The entering into, execution, delivery and performance of this Agreement and all of the documents and instruments required by this Agreement to be executed and delivered by CFCT are within the corporate power of

CFCT, and: (a) have been duly and validly authorized by the requisite vote of the Board of Directors of CFCT; and (b) upon the approval of the CFCT Shareholders and receipt of all Regulatory Approvals, shall be duly and validly authorized by all necessary corporate action. This Agreement is, and the other documents and instruments required by this Agreement to be executed and delivered by CFCT will be, when executed and delivered by CFCT, the valid and binding obligations of CFCT, enforceable against it in accordance with their respective terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws generally affecting the rights of creditors and subject to general equity principles.

4.5 No Violation or Conflict. Subject to the receipt of the Regulatory Approvals, the execution, delivery and performance of this Agreement and all of the documents and instruments required by this Agreement to be executed and delivered by CFCT do not and will not conflict with or result in a breach of any Law, the Articles of Incorporation or Bylaws of CFCT or the Bank; constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any CFCT Contract or any CFCT Permit; or the creation of any Lien upon any of the properties or assets of CFCT or the Bank.

4.6 Title to Assets; Leases. Except for Liens for current taxes not yet due and payable, pledges to secure deposits and such minor imperfections of title, easements and other encumbrances, if any, as do not materially detract from the value of or interfere with the present use of the property affected thereby, CFCT owns good and marketable title to the assets and properties which it owns or purports to own, free and clear of any and all Liens, except: (a) the CFCT Liens; and (b) the Permitted Liens on the Closing Date. All leases pursuant to which CFCT or the Bank leases from others real or personal property are in good standing, valid and effective in accordance with their respective terms, and there is not, under any of such leases, any default by CFCT, the Bank or, to the best of CFCT's knowledge, any other party thereto, or any event which with notice or lapse of time or both would constitute such a default.

4.7 Litigation. Except for the CFCT Litigation: (a) neither CFCT nor the Bank is subject to any continuing order of, or written agreement or memorandum of understanding with, or, to the knowledge of CFCT, any continuing material investigation by,

any federal or state bank authority or other governmental entity, or any judgment, order, writ, injunction, decree or award of any governmental entity or arbitrator, including, without limitation, cease and desist or other orders of any bank regulatory authority; (b) there is no claim, litigation, arbitration, proceeding, governmental investigation, citation or action of any kind pending or, to the knowledge of CFCT, proposed or threatened, against or relating to CFCT or the Bank, nor is there any basis known to CFCT for any such action; (c) there are no actions, suits or proceedings pending or, to the knowledge of CFCT, proposed or threatened, against CFCT by any Person which question the legality, validity or propriety of the transactions contemplated by this Agreement; and (d) there are no uncured material violations or violations with respect to which material refunds or restitutions may be required, cited in any compliance report to CFCT or as a result of an examination by any regulatory authority.

4.8 Reports; Books and Records.

(a) Since January 1, 1995, each of CFCT and the Bank has filed all call reports, periodic statements, reports, registration statements, definitive proxy statements and prospectuses, together with any amendments required to be made with respect thereto, that were and are required to be filed under the BHCA or any other Law with: (i) the FRB; (ii) the FDIC; (iii) the Florida Regulatory Agency; and (iv) any other applicable state securities or banking authorities (all such reports, statements and prospectuses are collectively referred to herein as the "CFCT Reports"). The CFCT Reports did or will, as the case may be, comply as of their respective dates in all material respects with all of the Laws enforced or promulgated by the regulatory authority with which they were filed and did not or will not, as the case may be, contain as of their respective dates 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 therein, in light of the circumstances under which they were made, not misleading.

(b) Each of the consolidated audited financial statements and consolidated unaudited interim financial statements (including, in each case, any related notes thereto) of CFCT included in the CFCT Reports have been or will be, as the case may be, prepared in accordance with GAAP applied on a consistent basis (except as may be indicated therein or in the notes thereto and except with respect to consolidated unaudited

interim statements as permitted by GAAP), and each fairly present the consolidated financial position (including without limitation, accrued liabilities) of CFCT as of the respective dates thereof and the consolidated results of its operations and changes in consolidated financial position for the periods then ended, subject, in the case of the consolidated unaudited interim financial statements, to normal year-end and audit adjustments and any other adjustments described therein.

(c) The minute books of CFCT and the Bank contain accurate and complete records of all meetings and actions taken by written consent by their respective shareholders and Boards of Directors (including all committees of such Boards), and all signatures contained therein are the true signatures of the Persons whose signatures they purport to be. The share transfer books of CFCT are correct, complete and current in all respects. The accounting books and records of CFCT: (i) are in all material respects correct and complete; (ii) are current in a manner consistent with past practice; and (iii) have recorded therein all the properties and assets and liabilities of CFCT.

(d) CFCT and the Bank have provided Straz access to true and complete copies of all files relating to the Bank's loans and loan commitments, and the determination of any troubled or substandard loans.

4.9 Absence of Certain Changes. Except as set forth in the Disclosure Schedule, since December 31, 1997 there has not been any:

(a) change in the financial condition, properties, business or results of operations of CFCT or the Bank having a Material Adverse Effect on CFCT and the Bank, taken as a whole;

(b) damage, destruction or loss (whether or not covered by insurance) with respect to any assets of CFCT or the Bank having a Material Adverse Effect on CFCT or the Bank;

(c) transactions by CFCT or the Bank outside the ordinary course of their respective businesses or inconsistent with past practices, except for the transactions contemplated by this Agreement;

(d) declaration or payment or setting aside the payment of any dividend or any distribution in respect of the

capital stock of CFCT or any direct or indirect redemption, purchase or other acquisition of any such stock by CFCT;

(e) increase in or establishment of any Employee Benefit Plan (including, without limitation, the granting of stock options, stock appreciation rights, performance awards or restricted stock awards), or any other increase in the compensation payable or to become payable to any officers, directors or key employees of CFCT or the Bank, other than as consistent with past practices; or

(f) change in the method of accounting or accounting practices of CFCT or the Bank.

4.10 Buildings and Equipment. Except as set forth in the Disclosure Schedule: (a) the Buildings and the Equipment of CFCT and the Bank are in good operating condition and repair, reasonable wear and tear excepted; (b) are adequately insured for the nature of CFCT's business at normal competitive premium rates with the self-insured retentions specified on the Disclosure Schedule; (c) such assets and their use conform in all material respects to applicable Laws; and (d) no notice of any violation of any building, zoning or other Law relating to such assets or their use has been received by CFCT or the Bank.

4.11 CFCT Contracts. The Disclosure Schedule lists and briefly describes each Contract (the "CFCT Contracts") to which either CFCT or the Bank is a party or by which its assets are bound and which constitutes:

(a) a lease of, or agreement to purchase or sell, any capital assets;

(b) any management, consulting, employment, personal service, severance, agency or other contract or contracts providing for employment or rendition of services and which: (i) are in writing, or (ii) create other than an at will employment relationship; or (iii) provide for any commission, bonus, profit sharing, incentive, retirement, consulting or additional compensation;

(c) any agreements or notes evidencing any Indebtedness;

(d) a power of attorney (revocable or irrevocable) given to any Person by CFCT or the Bank that is in force;

(e) an agreement by CFCT or any CFCT Subsidiary not to compete in any business or in any geographical area;

(f) an agreement restricting the right of CFCT or the Bank to use or disclose any information in its possession;

(g) a partnership, joint venture or similar arrangement;

(h) a license;

(i) an agreement or arrangement with any Affiliate;

(j) an agreement for data processing services;

(k) any assistance agreement, supervisory agreement, memorandum of understanding, consent order, cease and desist order or other regulatory order or decree with or by the FRB, the FDIC, the Florida Regulatory Agency or any other regulatory authority.

(l) any other agreement or set or series of related agreements which: (i) involve an amount in excess of \$10,000 on an annual basis or \$25,000 in the aggregate (other than ordinary course lending or deposit transactions); or (ii) is not in the ordinary course of business of CFCT or the Bank.

4.12 Performance of CFCT Contracts. CFCT and the Bank have fully performed each material term, covenant and condition of each CFCT Contract which is to be performed by it at or before the date hereof. Each of the CFCT Contracts is in full force and effect and constitutes the legal and binding obligation of CFCT or the Bank, as the case may be, and, to the knowledge of CFCT, constitutes the legal and binding obligation of the other parties thereto.

4.13 Contingent and Undisclosed Liabilities. CFCT and the Bank have no material liabilities of any nature (contingent or otherwise) except for those which: (a) are disclosed in the CFCT Reports or in the Disclosure Schedule or in this Agreement; or (b) arise in the ordinary course of business since December 31, 1997 and are not required to be disclosed in the CFCT Reports or pursuant to this Agreement or the Disclosure Schedule.

4.14 CFCT Insurance Policies. All real and personal property owned or leased by CFCT or the Bank has been and is

being insured against, and CFCT or the Bank maintains liability insurance against, such insurable risks and in such amounts as set forth in the CFCT Insurance Policies. The CFCT Insurance Policies constitute all insurance coverage owned by CFCT or the Bank and are in full force and effect and CFCT or the Bank has not received notice of and is not otherwise aware of any cancellation or threat of cancellation of such insurance. All assets of CFCT and the Bank have been and are being used in a normal business-like manner. Except as described in the Disclosure Schedule, no property damage, personal injury or liability claims have been made, or are pending, against CFCT or the Bank that are not covered by insurance. Within the past two (2) years, no insurance company has canceled any insurance (of any type) maintained by CFCT or the Bank. Neither CFCT nor the Bank has any liability for unpaid premiums or premium adjustments for any insurance policy. To the knowledge of CFCT, the cost of any insurance currently maintained by CFCT or the Bank will not increase upon renewal other than increases consistent with the general upward trend in the cost of obtaining insurance.

4.15 Employee Benefit Plans.

(a) Except for the CFCT Plans, CFCT does not maintain, nor is it bound by, any Employee Benefit Plan. CFCT has furnished Straz with a complete and accurate copy of each CFCT Plan and a complete and accurate copy of each material document prepared in connection with each such CFCT Plan, including, without limitation and where applicable, a copy of (i) each trust or other funding arrangement, (ii) each summary plan description and summary of material modifications, (iii) the most recently filed IRS Form 5500, (iv) the most recently received IRS determination letter, and (v) the most recently prepared actuarial report and financial statement.

(b) Except as indicated on the Disclosure Schedule, no member of CFCT's "controlled group," within the meaning of Section 4001(a)(14) of ERISA, maintains or contributes to, or within the two years preceding the Effective Time has maintained or contributed to, an employee pension benefit plan subject to Title IV of ERISA. Except as indicated on the Disclosure Schedule, none of the CFCT Plans or CFCT Contracts obligates CFCT or the Bank to pay material separation, severance, termination or similar-type benefits solely as a result of any transaction contemplated by this Agreement or as a result of a "change in control," within the meaning of such term under Section 280G of the Code. Except as indicated on the Disclosure Schedule, none

of the CFCT Plans or CFCT Contracts provides for or promises retiree medical, disability or life insurance benefits to any current or former employee, officer or director of CFCT or the Bank. Each of the CFCT Plans is subject only to the Laws of the United States or a political subdivision thereof.

(c) Each CFCT Plan has always been operated in material compliance with the requirements of all applicable Law, and all persons who participate in the operation of such CFCT Plans and all CFCT Plan "fiduciaries" (within the meaning of Section 3(21) of ERISA) have always acted in material compliance with the provisions of all applicable Law. CFCT and the Bank have performed in all material respects all obligations required to be performed by any of them under, are not in any material respect in default under or in violation of, and have no knowledge of any material default or violation by any party to, any CFCT Plan. No legal action, suit or claim is pending or, to the knowledge of CFCT, threatened with respect to any CFCT Plan (other than claims for benefits in the ordinary course) and no fact or event exists to the knowledge of CFCT that could give rise to any such action, suit or claim.

(d) Each CFCT Plan that is intended to be qualified under Section 401(a) of the Code or Section 401(k) of the Code has received a favorable determination letter from the IRS that it is so qualified, and each trust established in connection with any CFCT Plan that is intended to be exempt from federal income taxation under Section 501(a) of the Code has received a determination letter from the IRS that it is so exempt, and no fact or event has occurred since the date of such determination letter from the IRS to adversely affect the qualified status of any such CFCT Plan or the exempt status of any such trust. No trust maintained or contributed to by CFCT or the Bank is intended to be qualified as a voluntary employees' beneficiary association or is intended to be exempt from federal income taxation under Section 501(c)(9) of the Code.

(e) There has been no prohibited transaction (within the meaning of Section 406 of ERISA or Section 4975 of the Code) with respect to any CFCT Plan. CFCT and the Bank have not incurred any liability for any excise tax arising under Section 4972 or 4980B of the Code and no fact or event exists that could give rise to any such liability.

(f) All contributions, premiums or payments required to be made with respect to any CFCT Plan have been made on or

before their due dates. There is no accumulated funding deficiency, within the meaning of ERISA or the Code, in connection with the CFCT Plans and no reportable event, as defined in ERISA, has occurred in connection with the CFCT Plans. CFCT and the Bank are not contributing to, and have not contributed to, any multi-employer plan, as defined in ERISA.

4.16 No Violation of Law. Except as set forth in the Disclosure Schedule, none of CFCT, the Bank nor any of the assets of CFCT or the Bank materially violate or conflict with any Law, any CFCT Permits, or any decree, judgment or order, or any zoning, building line restriction, planning, use or other similar restriction.

4.17 Brokers; Transaction Expenses.

(a) Except for fees to Austin Associates, Inc., CFCT's financial advisor, neither CFCT nor the Bank has incurred any brokers', finders', financial advisor or any similar fee in connection with the transactions contemplated by this Agreement. The Disclosure Schedule contains a list of all fees to be paid to Austin Associates, Inc. in connection with the transactions contemplated by this Agreement.

(b) The aggregate fees and expenses of CFCT in contemplation of the transactions contemplated by this agreement, including brokers and similar fees, and fees and expenses of counsel, shall not exceed \$225,000.

4.18 Taxes.

(a) Except as disclosed in the Disclosure Schedule: CFCT and the Bank have timely and properly filed all federal, state, local and foreign tax returns (including but not limited to income, intangibles, franchise, sales, payroll, employee withholding and social security and unemployment) which were required to be filed; CFCT and the Bank have paid or made adequate provision, in reserves reflected in its financial statements included in the CFCT Reports in accordance with generally accepted accounting principles, for the payment of all taxes (including interest and penalties) and withholding amounts owed by them or assessable against them; no tax deficiencies have been assessed or, to the knowledge of CFCT, proposed against CFCT or the Bank and, to the knowledge of CFCT, there is no basis in fact for the assessment of any tax or penalty tax against CFCT or the Bank; no issue has been raised in any prior tax audit which,

by application of the same or similar principles, could reasonably be expected upon a future tax audit to result in a proposed deficiency for any period.

(b) The income tax returns of CFCT and the Bank have been closed by audit by the IRS or by operation of the applicable statute of limitations for all fiscal years through and including December 31, 1994 and the state income, intangibles, sales and use and gross receipts tax returns of CFCT and the Bank have been closed by audit by the State of Florida or by operation of the applicable statute of limitations for all fiscal years through and including December 31, 1994. CFCT and the Bank have not consented to any extension of the statute of limitation with respect to any open tax returns.

(c) There are no tax Liens upon any property or assets of CFCT or the Bank except for Liens for current taxes not yet due and payable.

(d) As soon as practicable after the date of this Agreement, CFCT and the Bank will deliver to Straz correct and complete copies of all tax returns and reports of CFCT filed for all periods not barred by the applicable statute of limitations. No examination or audit of any tax return or report for any period not closed by audit or not barred by the applicable statute of limitations has occurred, no such examination is in progress and, to the knowledge of CFCT, no such examination or audit is planned.

(e) CFCT and the Bank have properly withheld and timely paid all withholding and employment taxes which they were required to withhold and pay relating to salaries, compensation and other amounts heretofore paid to their employees or other Persons. All Forms W-2 and 1099 required to be filed with respect thereto have been timely and properly filed.

4.19 Real Estate. The CFCT Real Estate: (a) constitutes all real property and improvements leased or owned by CFCT or the Bank; (b) other than with respect to CFCT or as lessee, is not subject to any leases or tenancies of any kind; (c) is not in the possession of any adverse possessors; (d) has direct access to and from a public road or street; (e) is used in a manner which is consistent with applicable Law; (f) is, and has been since the date of possession thereof by CFCT or the Bank, in the peaceful possession of CFCT or the Bank; (g) is served by all water, sewer, electrical, telephone, drainage and other utilities

required for the normal operations of the Buildings of CFCT and the Bank and the CFCT Real Estate; (h) except as disclosed in the Disclosure Schedule, to the knowledge of CFCT, is not located in an area designated as a flood plain or wetland; (i) is not subject to any outstanding special assessment; (j) is not subject to any zoning, ordinance, decrees or other Laws which would materially restrict or prohibit Straz from continuing the operations presently conducted thereon by CFCT or the Bank; (k) is not subject to any interest of any Person under an easement, contract, option or mineral rights or other agreements which would have a Material Adverse Effect on CFCT and the Bank, taken as a whole; (l) is not subject to any presently pending condemnation proceedings, nor to CFCT's knowledge, are such proceedings threatened against the CFCT Real Estate.

4.20 Governmental Approvals. No permission, approval, determination, consent or waiver by, or any declaration, filing or registration with, any governmental or regulatory authority is required in connection with the execution, delivery and performance of this Agreement by CFCT or the Bank, except for the Regulatory Approvals.

4.21 No Pending Acquisitions. Except for this Agreement, CFCT is not a party to or bound by any agreement, undertaking or commitment with respect to an Acquisition on the date of this Agreement.

4.22 Labor Matters.

(a) Except as disclosed on the Disclosure Schedule (or in an updated Disclosure Schedule with respect to vacations in (iii) below), there is no present or former employee of CFCT or the Bank who has any claim against any of such entities (whether under Law, under any employee agreement or otherwise) on account of or for: (i) overtime pay, other than overtime pay for the current payroll period; (ii) wages or salaries, other than wages or salaries for the current payroll period; or (iii) vacations, sick leave, time off or pay in lieu of vacation, sick leave or time off, other than vacation, sick leave or time off (or pay in lieu thereof) earned in the twelve-month period immediately preceding the date of this Agreement or incurred in the ordinary course of business and appearing as a liability on the most recent financial statements included in the CFCT Reports.

(b) There are no pending and unresolved claims by any Person against CFCT or the Bank arising out of any Law relating

to discrimination against employees or employee practices or occupational or safety and health standards. There is no pending or, to the knowledge of CFCT, threatened, nor has CFCT or any CFCT Subsidiary ever experienced any, labor dispute, strike or work stoppage which affected, affects or may affect the business of CFCT or the Bank or which did, may or would interfere with the continued operation of CFCT or the Bank.

(c) Neither CFCT nor the Bank is a party to any collective bargaining agreement. There is not now pending or, to the knowledge of CFCT, threatened, any charge or complaint against CFCT or the Bank by or before the National Labor Relations Board or any representative thereof, or any comparable state agency or authority. No union organizing activities are in process or contemplated and no petitions have been filed for union organization or representation of employees of CFCT or the Bank and CFCT and the Bank have not committed any unfair labor practices which have not heretofore been corrected and fully remedied.

4.23 Indebtedness. Except for the CFCT Indebtedness, CFCT has no Indebtedness.

4.24 Permits. The CFCT Permits constitute all Permits which CFCT and the Bank currently have and need for the conduct of their respective businesses as currently conducted.

4.25 Disclosure. No statement of fact by CFCT contained in this Agreement, the Disclosure Schedule, the CFCT Proxy Statement or any other document furnished or to be furnished by CFCT contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements herein or therein contained, in the light of the circumstances under which they were made, not misleading as of the date to which it speaks.

4.26 Information Supplied. None of the information supplied or to be supplied by CFCT for inclusion or incorporation by reference in: (a) the Proxy Statement will, at the date(s) mailed to the CFCT Shareholders and at the time(s) of the CFCT Meeting, contain any untrue statement of a material fact or omit 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 are made, not misleading; (b) any other documents to be filed with the FRB, FDIC or Florida Regulatory Agency or any other regulatory authority in connection

with the transactions contemplated hereby will, at the time of filing, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

4.27 Vote Required. The affirmative vote of the holders of a majority of the outstanding shares of CFCT Common Stock is the only vote of the holders of any class or series of capital stock or other securities of CFCT necessary to approve the Merger, this Agreement and the transactions contemplated by this Agreement.

4.28 Investment Securities. Except for the CFCT Investment Securities, CFCT and the Bank do not own, and does not have any right or obligation to acquire, any Investment Securities.

4.29 Environmental Protection.

(a) As used in this Agreement:

(i) "Environmental Claim" shall mean any and all administrative, regulatory or judicial actions, suits, demands, demand letters, directives, claims, Liens, investigations, proceedings or notices of noncompliance or violation (written or oral) by any Person alleging potential liability (including, without limitation, potential liability for enforcement, investigatory costs, cleanup costs, governmental response costs, removal costs, remedial costs, natural resources damages, property damages, personal injuries, or penalties) arising out of, based on or resulting from: (A) the presence, or release into the environment, of any Hazardous Materials at any location, whether or not owned by CFCT or the Bank; or (B) circumstances forming the basis of any violation or alleged violation, of any Environmental Law; or (C) any and all claims by any Person seeking damages, contribution, indemnification, cost, recovery, compensation or injunctive relief resulting from the presence or Environmental Release of any Hazardous Materials.

(ii) "Environmental Laws" shall mean all federal, state, local or foreign statute, Law, rule, ordinance, code, policy, guideline, rule of common law and regulations relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, ground water, land surface or subsurface strata), including, without limitation, Laws and regulations relating to Environmental Releases or threatened Environmental Releases of

Hazardous Materials, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials.

(iii) "Environmental Release" shall mean any release, spill, emission, leaking, injection, deposit, disposal, discharge, dispersal, leaching or migration into the atmosphere, soil, surface water, groundwater or property.

(iv) "Hazardous Materials" shall mean: (A) any petroleum or petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, and transformers or other equipment that contain dielectric fluid containing levels of polychlorinated biphenyls (PCBs) and radon gas; and (B) any chemicals, materials or substances which are now defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes, restricted hazardous wastes," "toxic substances," "toxic pollutants," or words of similar import, under any Environmental Law; and (C) any other chemical, material, substance or waste, exposure to which is now prohibited, limited or regulated by any governmental authority.

(b) Except as set forth in the Disclosure Schedule, CFCT and the Bank: (i) are in material compliance with all applicable Environmental Laws; and (ii) have not received any communication (written or oral), from a governmental authority or other Person, that alleges that CFCT is not in compliance with applicable Environmental Laws.

(c) Except as set forth in the Disclosure Schedule, CFCT and the Bank have obtained all environmental, health and safety permits and governmental authorizations (collectively, the "Environmental Permits") necessary for its operations, and all such permits are in good standing and CFCT and the Bank are in material compliance with all terms and conditions of the Environmental Permits.

(d) Except as set forth in the Disclosure Schedule, there is no Environmental Claim pending or, to the knowledge of CFCT, threatened against CFCT, the Bank or against any Person whose liability for any Environmental Claim CFCT or the Bank has or may have retained or assumed either contractually or by operation of Law, or against any real or personal property or operations which CFCT or the Bank owns, leases or manages.

(e) Except as set forth in the Disclosure Schedule, to the knowledge of CFCT, there have been no Environmental Releases of any Hazardous Material by CFCT or by any Person on real property owned (including REO properties of the Bank), used, leased or operated by CFCT or the Bank.

(f) To the knowledge of CFCT, no real property at any time owned (including REO properties of the Bank), operated, used or controlled by CFCT or the Bank is currently listed on the National Priorities List or the Comprehensive Environmental Response, Compensation and Liability Information System, both promulgated under the CERCLA, or on any comparable state list, and, except as described in the Disclosure Schedule, CFCT has not received any written notice from any Person under or relating to CERCLA or any comparable state or local Law.

(g) No off-site location at which CFCT or the Bank has disposed or arranged for the disposal of any waste is listed on the National Priorities List or on any comparable state list and neither CFCT nor the Bank has received any written notice from any Person with respect to any off-site location, of potential or actual liability or a written request for information from any Person under or relating to CERCLA or any state or local Law.

(h) The Disclosure Schedule includes an estimate by CFCT of future costs to CFCT and the Bank of compliance with, and environmental cleanup and response under, Environmental Laws.

4.30 Year 2000. Each of CFCT and the Bank is in material compliance with all rules, regulations, advisories and compliance bulletins and like pronouncements of the FRB, the FDIC and the Florida Regulatory Agency with respect to Year 2000 compliance. Each of the properties or items of equipment owned or leased, or systems used, by CFCT or the Bank is Year 2000 compliant, or will be Year 2000 compliant on a timely basis. The Bank has completed a sample survey, in compliance with Law, of its commercial credit customers to determine the Year 2000 compliance status of such customers, and has provided Straz with access to such information. For purposes of this provision, "Year 2000 compliant" or "Year 2000 compliance" shall mean the ability of a product or a service to provide the following functions: (i) consistently handle date information for all dates before, on, and after January 1, 2000, including but not limited to accepting date input, providing date output, and performing calculations on dates; (ii) function accurately and without interruption before, during, and after January 1, 2000, without any change in

operations or functionality associated with the advent of the new century or the "leap day" in the year 2000; (iii) respond to two-digit date input in a way that resolves any ambiguity as to century in a disclosed, defined, and predetermined manner; and (iv) store and provide output of date information in ways that are unambiguous as to century.

4.31 Opinion of Financial Advisor. CFCT has received the opinion of Austin Associates, Inc. dated the date of this Agreement, to the effect that the consideration to be received in the Merger by the CFCT Shareholders is fair to the CFCT Shareholders from a financial point of view, and a copy of such opinion has been delivered to Straz.

ARTICLE V REPRESENTATIONS AND WARRANTIES OF STRAZ AND MERGER CORP.

Straz and Merger Corp. hereby jointly and severally represent and warrant to CFCT that:

5.1 Organization and Capitalization; Business.

(a) Merger Corp. is a corporation duly organized, validly existing and in active status under the Laws of the State of Florida. Prior to the date of this Agreement, Merger Corp. engaged in no business other than matters necessary to the organization and incorporation of Merger Corp. and to authorize Merger Corp. to enter into, execute and deliver this Agreement. The authorized capital stock of Merger Corp. consists of 7,500 shares of common stock, \$1.00 par value per share. As of the date of this Agreement, 10 shares of Merger Corp.'s common stock are issued and outstanding, all of which are duly authorized, validly issued, fully paid, and non-assessable, all of which are owned by Straz.

(b) Each of Straz and Merger Corp. has full power and authority and those Permits necessary to carry on its business as it is now conducted and to own, lease and operate its assets and properties.

(c) Copies of the Articles of Incorporation and Bylaws of Merger Corp. have been delivered to CFCT and such copies are complete and correct copies of such documents in effect as of the date of this Agreement.

5.2 Authorization; Enforceability. The entering into, execution, delivery and performance of this Agreement and all of the documents and instruments required by this Agreement to be executed and delivered by Straz or Merger Corp. are within the individual or corporate power of Straz or Merger Corp., as the case may be, and: (a) in the case of Merger Corp., have been duly and validly authorized by the requisite vote of the Board of Directors and sole shareholder of Merger Corp.; and (b) upon receipt of all Regulatory Approvals, shall be duly and validly authorized by all necessary corporate action on the part of both Straz and Merger Corp. This Agreement is, and the other documents and instruments required by this Agreement to be executed and delivered by Straz and Merger Corp. will be, when executed and delivered by Straz or Merger Corp., as the case may be, the valid and binding obligations of Straz or Merger Corp., as the case may be, enforceable against Straz or Merger Corp., as the case may be, in accordance with their respective terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws generally affecting the rights of creditors and subject to general equity principles.

5.3 No Violation or Conflict. Subject to the receipt of the Regulatory Approvals, the execution, delivery and performance of this Agreement and all of the documents and instruments required by this Agreement to be executed and delivered by Straz or Merger Corp. do not and will not conflict with or result in a breach of any Law or the Articles of Incorporation or Bylaws of Straz or Merger Corp. or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any Contract of Straz or Merger Corp. or any Permit held by or the creation of any Lien upon any of the properties or assets of Straz or Merger Corp.

5.4 Litigation. There are no actions, suits or proceedings pending or, to the knowledge of Straz, proposed or threatened, against Straz or Merger Corp. by any Person which question the legality, validity or propriety of the transactions contemplated by this Agreement.

5.5 Brokers. Neither Straz nor Merger Corp. has not incurred any brokers', finders', financial advisor or any similar fee in connection with the transactions contemplated by this Agreement.

5.6 Governmental Approvals. Other than the Regulatory Approvals, no permission, approval, determination, consent or waiver by, or any declaration, filing or registration with, any governmental or regulatory authority is required in connection with the execution, delivery and performance of this Agreement by Straz or Merger Corp.

5.7 Disclosure. No statement of fact by Straz contained in this Agreement, the CFCT Proxy Statement or any other document furnished or to be furnished by Straz contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements herein or therein contained, in the light of the circumstances under which they were made, not misleading as of the date to which it speaks.

5.8 Information Supplied. None of the information supplied or to be supplied by Straz for inclusion or incorporation by reference in: (a) the Proxy Statement will, at the date(s) mailed to the CFCT Shareholders and at the time(s) of the CFCT Meeting, contain any untrue statement of a material fact or omit 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 are made, not misleading; (b) any other documents to be filed with the FRB, the FDIC or the Florida Regulatory Agency, or any other regulatory authority in connection with the transactions contemplated hereby will, at the time of filing, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

5.9 Financial Capacity. Straz has the financial capacity to perform his obligations under the terms of this Agreement.

ARTICLE VI CONDUCT OF BUSINESS BY CFCT PENDING THE MERGER

From and after the date of this Agreement and until the Effective Time, CFCT and the Bank shall:

6.1 Carry on in Regular Course. Diligently carry on their business in the regular course and substantially in the same manner as heretofore conducted and shall not make or institute

any unusual or novel methods of lending, investing, purchasing, selling, leasing, managing, accounting or operating.

6.2 Use of Assets. Use, manage, operate, maintain and repair all of their assets and properties in a normal business manner.

6.3 No Default. Not do any act or omit to do any act, or permit any act or omission to act, which will cause a material breach of any of the CFCT Contracts.

6.4 Insurance Policies. Use reasonable efforts to maintain all of the CFCT Insurance Policies in full force and effect, except as mutually agreed to by CFCT and Straz.

6.5 Employment Matters. Not: (a) except as described in the Disclosure Schedule, grant any increase in the rate of pay of any of their employees; (b) institute or amend any Employee Benefit Plan; or (c) enter into or modify any written employment arrangement with any Person.

6.6 Contracts and Commitments. Not enter into any contract or commitment or engage in any transaction not in the usual and ordinary course of business and consistent with their normal business practices and not purchase, lease, sell or dispose of any capital asset other than in the ordinary course of business or involving an amount in excess of \$5,000.

6.7 Indebtedness; Investments. Not create, incur, invest in or assume any Indebtedness or Investment Securities not in the usual and ordinary course of business.

6.8 Preservation of Relationships. Use their best efforts to preserve their business organizations intact, to retain the services of their present officers and key employees and to preserve the goodwill of depositors, borrowers and other customers, suppliers, creditors and others having business relationships with CFCT or the Bank. CFCT will give Straz prompt notice of any written or other notice relating to the exercise of dissenters' rights by CFCT Shareholders under the FBCA. CFCT will not make any agreement or payment with respect to, or settle or offer to settle, any such appraisal demands without Straz's prior written consent.

6.9 Compliance with Laws. Comply in all material respects with all applicable Laws.

6.10 Taxes. Timely and properly file all federal, state, local and foreign tax returns which are required to be filed, and shall pay or make provision for the payment of all taxes owed by it.

6.11 Amendments. Not amend CFCT's or the Bank's Articles of Incorporation or Bylaws, except as mutually agreed to by CFCT and Straz or as required by Law.

6.12 Issuance of Stock; Dividends; Redemptions. Not: (a) issue any additional shares of stock of any class or grant any warrants, options or rights to subscribe for or acquire any additional shares of stock of any class; (b) declare or pay any dividend or make any capital or surplus distributions of any nature; (c) declare or pay any regular quarterly cash dividend on CFCT Common Stock in the quarter in which the Effective Time shall occur; or (d) directly or indirectly redeem, purchase or otherwise acquire, recapitalize or reclassify any of their capital stock or liquidate in whole or in part.

6.13 Policy Changes. Not make a material change in any lending, investment, liability, management or other material policies concerning their business or operations, except as required by Law.

ARTICLE VII CONDITIONS PRECEDENT TO THE MERGER

7.1 Conditions to Each Party's Obligations. The respective obligations of Straz, Merger Corp. and CFCT to effect the transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to the Closing and as of the Effective Time of the following conditions precedent:

(a) No Litigation. No suit, action or other proceeding shall be pending or threatened before any court in which the consummation of the transactions contemplated by this Agreement is restrained or enjoined or in which the relief requested is to restrain, enjoin or prohibit the consummation of the transactions contemplated by this Agreement.

(b) Approval of CFCT Shareholders. This Agreement, the Merger and the transactions contemplated by this Agreement shall have received the requisite approval and authorization of the CFCT Shareholders.

(c) Regulatory Approvals.

(i) The Merger, this Agreement and the transactions contemplated hereby, shall have been approved, to the extent required, by the FRB, the Florida Regulatory Agency, and any other governmental entities whose approval is necessary, all conditions required to be satisfied prior to the Effective Time imposed by the terms of such approvals shall have been satisfied, and all waiting periods relating to such approvals shall have expired.

(ii) No permission, approval, determination, consent or waiver received pursuant to Section 7.1(c)(i) of this Agreement shall contain any condition applicable to Straz which is, in the reasonable judgment of Straz, materially adverse in any manner to Straz or CFCT.

7.2 Conditions to Obligation of Straz. The obligation of Straz and Merger Corp. to effect the transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to the Closing and as of the Effective Time of the following additional conditions precedent:

(a) Compliance with Agreement. CFCT shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with by it prior to or on the Closing Date and as of the Effective Time.

(b) Proceedings and Instruments Satisfactory. All proceedings, corporate or other, to be taken in connection with the transactions contemplated by this Agreement, and all documents incident thereto, shall be reasonably satisfactory in form and substance to Straz, and CFCT shall have made available to Straz for examination the originals or true and correct copies of all documents Straz may reasonably request in connection with the transactions contemplated by this Agreement.

(c) Representations and Warranties of CFCT. Except for representations and warranties made as of a specified date, the representations and warranties made by CFCT in this Agreement shall be true and correct in all material respects when made, as of the Closing Date and as of the Effective Time with the same force and effect as though said representations and warranties had been made on the Closing Date.

(d) No Material Adverse Change. During the period from the date of this Agreement to the Closing Date and as of the Effective Time there shall not have occurred, and there shall not exist on the Closing Date and as of the Effective Time, any condition or fact having a Materially Adverse Effect on CFCT or the Bank.

(e) Deliveries at Closing. CFCT shall have delivered to Straz the following documents, each properly executed and dated the Closing Date: (i) the CFCT Closing Certificate; and (ii) the CFCT Counsel Opinion. CFCT also shall have delivered to Straz such certificates and documents of officers of CFCT and the Bank and public officials as shall be reasonably requested by Straz to establish the existence of CFCT and the Bank and the due authorization of this Agreement and the transactions contemplated by this Agreement by CFCT.

(f) Consents Under Contracts. CFCT shall have obtained the consent or approval of each Person whose consent or approval shall be required in order to permit the succession by Straz, pursuant to the Merger, to any obligation, right or interest of CFCT or the Bank under any CFCT Contract.

(g) Noncompetition Agreement. CFCT shall have delivered to Straz the Noncompetition Agreement, dated as of the Closing Date and duly executed by each of the Certain Shareholders.

(h) Loan Loss Reserves. The Bank's reserve for loan losses, determined according to GAAP, shall not be less than \$337,292, after charging off or fully reserving for all loans which should be charged off under GAAP, by the Bank's board of directors or by determination of the Bank's regulators.

(i) Net Worth. The consolidated net worth of CFCT, determined in accordance with GAAP, shall equal or exceed the net worth of CFCT as shown on its books and records on September 30, 1998, adjusted to (i) add back the after-tax effects of up to \$193,000 in expenses relating to the transactions contemplated by this Agreement and (ii) adjust for the effects of market changes in the Bank's investment portfolio.

(j) Dissenters' Rights. Holders of not more than fifteen percent (15%) of the CFCT Common Stock outstanding as of the record date for the CFCT Meeting shall have undertaken steps

to perfect their dissenters' rights of appraisal in accordance with the FBCA and not lost or abandoned such rights.

7.3 Conditions to Obligation of CFCT. The obligation of CFCT to effect the transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to the Closing and as of the Effective Time of the following additional conditions precedent:

(a) Compliance with Agreement. Straz and Merger Corp. each shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with by it prior to or on the Closing Date and as of the Effective Time.

(b) Proceedings and Instruments Satisfactory. All proceedings, corporate or other, to be taken in connection with the transactions contemplated by this Agreement, and all documents incident thereto, shall be reasonably satisfactory in form and substance to CFCT, and Straz shall have made available to CFCT for examination the originals or true and correct copies of all documents which CFCT may reasonably request in connection with the transactions contemplated by this Agreement.

(c) Representations and Warranties of Straz. Except for representations and warranties made as of a specified date, the representations and warranties made by Straz and Merger Corp. in this Agreement shall be true and correct in all material respects when made, as of the Closing Date and as of the Effective Time with the same force and effect as though such representations and warranties had been made on the Closing Date.

(d) Deliveries at Closing. Straz shall have delivered to CFCT the following documents, each properly executed and dated the Closing Date: (i) the Straz Closing Certificate; and (ii) the Straz Counsel Opinion. Straz and Merger Corp. also shall have delivered to CFCT such certificates and documents of officers of Straz and of public officials as shall be reasonably requested by CFCT to establish the existence of Straz and the due authorization of this Agreement and the transactions contemplated by this Agreement by Straz.

(e) Opinion of Financial Advisor. CFCT shall have received the opinion of Austin Associates, Inc. dated the date on which the Proxy Statement is first mailed to CFCT Shareholders and updated and renewed as of the Closing Date, to the effect

that the consideration to be received in the Merger by the CFCT Shareholders is fair to the CFCT Shareholders from a financial point of view.

ARTICLE VIII TERMINATION; MISCELLANEOUS

8.1 Termination. This Agreement may be terminated and the transactions contemplated by this Agreement may be abandoned at any time prior to the Closing (whether before or after approval of this Agreement by the CFCT Shareholders), as follows:

- (a) by written agreement of Straz and CFCT;
- (b) by Straz if any of the conditions set forth in Sections 7.1 or 7.2 of this Agreement shall not have been fulfilled by the Closing;
- (c) by CFCT if any of the conditions set forth in Sections 7.1 or 7.3 of this Agreement shall not have been fulfilled by the Closing;
- (d) by either Straz or CFCT if the Closing has not occurred on or before 11:59 p.m. on June 30, 1999.

8.2 Rights on Termination; Waiver. If this Agreement is terminated pursuant to Section 8.1 of this Agreement, all further rights and obligations of the parties under or pursuant to this Agreement shall terminate without further liability of any party to the other, provided that: (a) the rights and obligations of Straz contained in Sections 3.7, 3.10, 8.2, 8.4, 8.5, 8.6, 8.8, 8.12 and 8.13 of this Agreement shall survive any such termination; (b) the rights and obligations of CFCT contained in Section 3.5 (to the extent that a CFCT Special Event has occurred prior to or at the time of termination), 3.7, 3.10, 8.2, 8.4, 8.5, 8.6, 8.7, 8.8, 8.12 and 8.13 of this Agreement shall survive any such termination; and (c) each party to this Agreement shall retain any and all remedies which it may have for breach of contract provided by Law based on another party's willful failure to comply with the terms of this Agreement. If any of the conditions set forth in Sections 7.1 and 7.2 of this Agreement have not been satisfied, Straz may nevertheless elect to proceed with the consummation of the transactions contemplated by this Agreement and if any of the conditions set forth in Sections 7.1 and 7.3 of this Agreement have not been satisfied, CFCT may

nevertheless elect to proceed with the consummation of the transactions contemplated by this Agreement. Any such election to proceed shall be evidenced by a certificate signed on behalf of the waiving party by an officer of that party.

8.3 Survival of Representations, Warranties and Covenants.

All representations, warranties and covenants of the parties contained in this Agreement (other than the covenants contained in Sections 2.9, 2.10, 8.3, 8.4, 8.5, 8.8, 8.13 and 8.14 of this Agreement) or made pursuant to this Agreement shall terminate and be of no further force and effect at the Effective Time and none of the parties shall have any liability or obligation with respect thereto.

8.4 Entire Agreement; Amendment. This Agreement and the documents referred to in this Agreement and required to be delivered pursuant to this Agreement constitute the entire agreement among the parties pertaining to the subject matter of this Agreement, and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. This Agreement may be amended by the parties at any time before or after approval of this Agreement by the CFCT Shareholders, except that after such approval no amendment shall be made without the further approval of the CFCT Shareholders if such amendment: (a) reduces the Per Share Merger Consideration; or (b) otherwise materially adversely affects the rights of the CFCT Shareholders. No amendment, supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement, whether or not similar, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

8.5 Expenses. All costs and expenses incurred in connection with this Agreement and the transactions contemplated by this Agreement shall be paid by the party incurring such expenses. However, in the event that the Merger does not occur, and CFCT and its Affiliates have complied with their obligations under this Agreement and the Voting Agreement, Straz shall reimburse CFCT for the amount, if any, by which the cost of the audit of CFCT required under Section 3.10 hereof exceeds \$10,000.

8.6 Governing Law. This Agreement shall be construed and interpreted according to the Laws of the State of Florida.

8.7 Assignment. Prior to the Effective Time, this Agreement shall not be assigned by any party, provided that Straz and Merger Corp. may assign their rights and obligations hereunder to any Affiliate of Straz, with prior written notice to CFCT.

8.8 Notices. All communications or notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given at the earlier of the date when actually delivered to an officer of a party by personal delivery or telephonic facsimile transmission (transmittal electronically confirmed) or when deposited in the United States mail, certified or registered mail, postage prepaid, return receipt requested, and addressed as follows, unless and until any of such parties notifies the others in accordance with this Section of a change of address:

If to Straz or Merger Corp: David A. Straz, Jr.
4805 Swann Avenue
Tampa FL 33609
813/282-3252

with a copy to:

Quarles & Brady LLP
Attention: James D. Friedman
411 East Wisconsin Avenue
Milwaukee WI 53202
Fax No: 414/277-5874

If to CFCT:

City Financial Corp. of Tampa
Attn: Fredric R. LeVarge
405 North Westshore Blvd.
Tampa FL 33609
Fax No: 813/286-3060

with a copy to:

Werner & Blank Co., L.P.A.
Attn: Martin D. Werner
7205 West Central Avenue
Toledo OH 43617
Fax No: 419/841-8380

8.9 Counterparts; Headings. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same Agreement. The Table of Contents and Article and Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part hereof.

8.10 Interpretation. Unless the context requires otherwise, all words used in this Agreement in the singular number shall extend to and include the plural, all words in the plural number shall extend to and include the singular, and all words in any gender shall extend to and include all genders.

8.11 Severability. If any provision, clause, or part of this Agreement, or the application thereof under certain circumstances, is held invalid, the remainder of this Agreement, or the application of such provision, clause or part under other circumstances, shall not be affected thereby unless such invalidity materially impairs the ability of the parties to consummate the transactions contemplated by this Agreement.

8.12 Specific Performance. The parties agree that the assets and business of CFCT as a going concern constitute unique property. There is no adequate remedy at Law for the damage

which any party might sustain for failure of the other parties to consummate the Merger and the transactions contemplated by this Agreement, and accordingly, each party shall be entitled, at its option, to the remedy of specific performance to enforce the Merger pursuant to this Agreement.

8.13 No Reliance. Except for the parties to this Agreement: (a) no Person is entitled to rely on any of the representations, warranties and agreements of the parties contained in this Agreement; and (b) the parties assume no liability to any Person because of any reliance on the representations, warranties and agreements of the parties contained in this Agreement.

8.14 Further Assurances. If, at any time after the Effective Time, any further action is necessary or desirable to carry out the purposes of this Agreement and to vest the Surviving Corporation with full right, title and possession to all assets, properties, rights, privileges, powers and franchises of either Merger Corp. or CFCT, the officers of the Surviving Corporation are fully authorized to take any such action in the name of Merger Corp. or CFCT.

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

/s/ David A. Straz, Jr.
DAVID A. STRAZ, JR.

DASCO MERGER CORP.

By: /s/ David A. Straz, Jr.
David A. Straz, Jr.
President and Secretary

CITY FINANCIAL CORP. OF TAMPA

By: /s/ F. R. LeVarge
F. R. LeVarge, President and
Chief Executive Officer

Attest:

/s/ Thomas D. Casper
Thomas D. Casper, Secretary

RESTATED ARTICLES OF INCORPORATION
OF
CITY FINANCIAL CORP. OF TAMPA

ARTICLE I
Name

The name of the corporation is City Financial Corp. of Tampa.

ARTICLE II
Principal Office and Mailing Address

The address of the principal office of the corporation is 4805 Swann Avenue, Tampa, Florida 33609, and the mailing address of the corporation is the same.

ARTICLE III
Purposes

The purposes for which the corporation is organized are to engage in any lawful activity within the purposes for which a corporation may be organized under the Florida Business Corporation Act.

ARTICLE IV
Capital Stock

The aggregate number of shares which the corporation shall have authority to issue is Seven Thousand Five Hundred (7,500) shares, consisting of one class only, designated as "Common Stock," of the par value of One Dollar (\$1.00) per share.

ARTICLE V
Directors

The affairs of the corporation shall be managed by a Board of Directors whose number and qualifications shall be fixed by the Bylaws.

ARTICLE V
Right to Purchase Own Shares

The corporation shall have the right to acquire its own shares from time to time, upon such terms and conditions as the Board of Directors shall fix.

ARTICLE VI
Registered Office and Agent

The address of the registered office of the corporation is Barnett Center, 4501 Tamiami Trail North, Suite 300, Naples, Collier County, Florida 33940-3060, and the name of its registered agent at such address is Naples-Lawdock, Inc.

* * * * *

CERTIFICATE OF ACCEPTANCE OF DESIGNATED REGISTERED AGENT AND
REGISTERED OFFICE FOR SERVICE OF PROCESS.

In compliance with Section 607.0501, Florida Statutes, the following is submitted:

1. That City Financial Corp. of Tampa has named Naples-Lawdock, Inc., located at Barnett Center, 4501 Tamiami Trail North, Suite 300, Naples, Collier County, Florida 33940-3060, as its agent to accept service of process within Florida.

2. That, having been named to accept service of process for the above-stated corporation, at the place designated in this Certificate, I hereby agree to act in this capacity and agree to comply with the provisions of the Florida Statutes relative to keeping open said office.

NAPLES-LAWDOCK, INC., Registered Agent

By: Susan T. Barker
Susan T. Barker
Assistant Secretary

Dated: January 29, 1999