

K 89494

TRANSMITTAL LETTER

Department of State
Division of Corporations
P. O. Box 6327
Tallahassee, FL 32314

FILED
01 SEP 17 PM 4:26
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

SUBJECT: Citrus Financial Services, Inc.
(PROPOSED CORPORATE NAME - MUST INCLUDE SUFFIX)

300004594809--9
-09/18/01--01008--001
*****79.75 *****79.75

Enclosed is an original and one(1) copy of the articles of ^{merger} incorporation and a check for :

☐ \$70.00
Filing Fee

☒ \$78.75
Filing Fee
& Certificate of Status

☒ \$78.75
Filing Fee
& Certified Copy

☐ \$87.50
Filing Fee,
Certified Copy
& Certificate of
Status

ADDITIONAL COPY REQUIRED

FROM: Igor S Dougherty
Name (Printed or typed)
1501 Park Avenue East
Address
TLH FL 32301
City, State & Zip
(850) 828-2411
Daytime Telephone number

RECEIVED
01 SEP 17 PM 4:01
DIVISION OF CORPORATION

NOTE: Please provide the original and one copy of the articles.

C. Coullie SEP 17 2001

ARTICLES OF MERGER
Merger Sheet

MERGING:

CIBM ACQUISITION CORP., a Florida corporation, P01000051564

INTO

CITRUS FINANCIAL SERVICES, INC., a Florida entity, K89494

File date: September 17, 2001

Corporate Specialist: Cheryl Coulliette

ARTICLES OF MERGER
(Profit Corporations)

The following articles of merger are submitted in accordance with the Florida Business Corporation Act, pursuant to section 607.1105, F.S.

First: The name and jurisdiction of the surviving corporation:

<u>Name</u>	<u>Jurisdiction</u>
<u>Citrus Financial Services, Inc.</u>	<u>Florida</u>

Second: The name and jurisdiction of each merging corporation:

<u>Name</u>	<u>Jurisdiction</u>
<u>CIBM Acquisition Corp.</u>	<u>Florida</u>
_____	_____
_____	_____
_____	_____
_____	_____

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TALLAHASSEE, FLORIDA

Third: The Plan of Merger is attached, as Exhibit A.

Fourth: The merger shall become effective on the date the Articles of Merger are filed with the Florida Department of State

OR 09 / 17 / 2001 (Enter a specific date. NOTE: An effective date cannot be prior to the date of filing or more than 90 days in the future.)

Fifth: Adoption of Merger by surviving corporation - (COMPLETE ONLY ONE STATEMENT)

The Plan of Merger was adopted by the shareholders of the surviving corporation on 09/11/2001

The Plan of Merger was adopted by the board of directors of the surviving corporation on _____ and shareholder approval was not required.

Sixth: Adoption of Merger by merging corporation(s) (COMPLETE ONLY ONE STATEMENT)

The Plan of Merger was adopted by the shareholders of the merging corporation(s) on _____

The Plan of Merger was adopted by the board of directors of the merging corporation(s) on 09/11/2001 and shareholder approval was not required.

(Attach additional sheets if necessary)

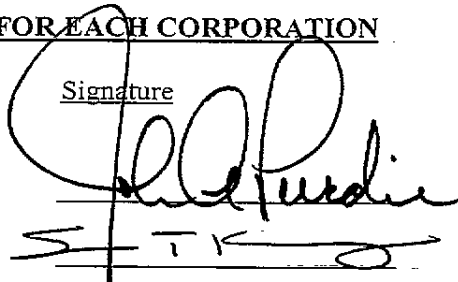
Seventh: SIGNATURES FOR EACH CORPORATION

Name of Corporation

Signature

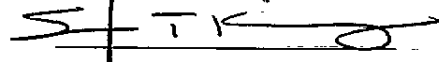
Typed or Printed Name of Individual & Title

Citrus Financial
Services, Inc.



John A. Purdie, Vice Chairman

CIBM Acquisition,
Corp.



Steven T. Klitzing, Senior V.P.
and CFO

[EXHIBIT A]

**PLAN AND AGREEMENT OF MERGER
BETWEEN
CIBM ACQUISITION CORP.
AND
CITRUS FINANCIAL SERVICES, INC.
UNDER THE ARTICLES OF INCORPORATION OF
CITRUS FINANCIAL SERVICES, INC.**

This Plan and Agreement of Merger (this "Plan of Merger") effective the 6th day of March, 2001, by and between **CIBM ACQUISITION CORP.** (hereinafter called "CIBMAC" and **CITRUS FINANCIAL SERVICES, INC.** (hereinafter called "CFSI" or, where appropriate, the "Surviving Corporation").

WITNESSETH:

WHEREAS, CIBMAC has an authorized capitalization consisting of 1,000 shares of common stock, par value \$1.00 per share (the "CIBMAC Common Stock"), all of which are issued and outstanding and are owned of record and beneficially by CIB Marine Bancshares, Inc. ("CIBM"), a Wisconsin corporation as of the date hereof; and

WHEREAS, CFSI has an authorized capitalization consisting of 10,000,000 shares of capital stock, par value \$3.15 per share, of which 1,423,402 shares of common stock (the "CFSI Common Stock") are issued and outstanding as of the date hereof, and 1,000,000 shares of preferred stock, par value \$5.00 per share, of which no shares of preferred stock are issued and outstanding as of the date hereof;

WHEREAS, the Boards of Directors of CIBMAC and CFSI deem it advisable to merge CIBMAC with and into CFSI (the "Merger") under the name of Citrus Financial Services, Inc. in accordance with Sections 607.1101, 607.1103 and 607.1105 of the Florida Business Corporation Act (the "FBCA");

WHEREAS, CIBM and CFSI have entered into an Agreement and Plan of Reorganization, dated as of March 6, 2001 (the "Agreement"), providing for the Merger;

WHEREAS, the Boards of Directors of CIBM and CIBMAC have approved this Plan of Merger and the Merger; no action by the stockholders of CIBM is required under the Wisconsin Business Corporation Act and no action by the shareholders of CIBMAC is required pursuant to Section 607.1103(7) of the FBCA; and

WHEREAS, the Board of Directors and the shareholders of CFSI have approved this Plan of Merger and the Merger in accordance with Section 607.1103 of the FBCA.

NOW THEREFORE, with the foregoing recitals incorporated herein by this reference, and in consideration of the premises and the mutual representations, warranties, covenants, agreements and conditions herein contained, the parties hereto covenant and agree as follows:

ARTICLE I THE MERGER

1.1 Surviving Corporation. Subject to the terms and conditions of this Plan of Merger, CIBMAC shall be merged into, and under the Articles of Incorporation of, CFSI pursuant to the provisions of, and with the effect provided in, the FBCA, and CFSI shall be the corporation resulting from such merger (the "Surviving Corporation"). The name of the Surviving Corporation shall be "Citrus Financial Services, Inc." and the present designated corporate headquarters of CFSI at 1717 Indian River Boulevard, Suite 100, Vero Beach, Florida shall be the designated headquarters of the Surviving Corporation.

1.2 Effective Date. As soon as is reasonably practicable after the date hereof, this Plan of Merger shall be submitted to the Secretary of State of the State of Florida ("Florida Secretary of State") as part of the Articles of Merger, pursuant to Section 607.1105 of the FBCA. The Merger shall become effective on the date on which the Articles of Merger become effective (the "Effective Date") pursuant to Section 607.1106 of the FBCA.

1.3 Articles of Incorporation. The Articles of Incorporation of CFSI as in effect immediately prior to the Effective Date, shall be the Articles of Incorporation of the Surviving Corporation.

1.4 By-Laws. The Bylaws of CFSI as in effect as of the Effective Date, shall be the By-Laws of the Surviving Corporation until the same shall be thereafter altered, amended or repealed in accordance with said By-Laws, Articles of Incorporation, and applicable law.

1.5 Directors and Officers. As of the Effective Date, the directors of the Surviving Corporation shall consist of the following persons:

J. Michael Straka
Roy H. Lambert
Jose Araujo

As of the Effective Date, the officers of the Surviving Corporation shall consist of the following persons:

President and Chief Executive Officer: J. Michael Straka
Secretary and Treasurer: Steven T. Klitzing

ARTICLE II EFFECT OF MERGER

2.1 Corporate Existence. As of the Effective Date, the corporate existences of each of the Merging Corporations shall, with the full effect provided for in the FBCA, be merged into and continued in the Surviving Corporation under the Articles of Incorporation of CFSI. The Surviving Corporation shall be considered the same business and corporate entity as each of the Merging Corporations, with all the property, rights, powers, duties and obligations of each of the Merging Corporations except as affected by the laws of the State of Florida and by the Articles of Incorporation and By-Laws of the Surviving Corporation. The separate existence of CIBMAC shall cease except to the extent provided by applicable law.

2.2 Rights and Liabilities of the Surviving Corporation. The Surviving Corporation shall be liable for all liabilities of each of the Merging Corporations, and all rights, franchises and interests of each of the Merging Corporations in and to every type of property, real, personal and mixed, and any chose in action thereunto belonging, shall be deemed to be transferred to and vested in the Surviving Corporation without any deed or other transfer, and the Surviving Corporation, without any order or other action on the part of any court or otherwise, shall hold and enjoy the same and all rights of property, franchises, and interests, including appointments, designations and nominations and all other rights and interests as trustee, executor, administrator, registrar or transfer agent of stocks and bonds, guardian, assignee, receiver, and in every other fiduciary capacity, in the same manner and to the same extent as such rights of property, franchises and interests were held and enjoyed by each of the Merging Corporations. Any reference to any of the Merging Corporations in any writing, whether executed or taking effect before or after the Merger, shall be deemed a reference to the Surviving Corporation if not inconsistent with the other provisions of such writing.

2.3 Effectiveness of Prior Corporate Acts and Authorizations. All corporate acts, plans, policies, contracts, approvals and authorizations of each of the Merging Corporations, their respective shareholders, boards of directors, committees (elected or appointed by their boards of directors), officers and agents, which were valid and effective immediately prior to the Effective Date, shall be taken for all purposes as the acts, plans, policies, contracts, approvals and authorizations of the Surviving Corporation and shall be as effective and binding thereon as the same were with respect to any of the Merging Corporations.

ARTICLE III TERMS OF CONVERSION AND EXCHANGE OF SHARES

3.1 Treatment of Shares. On the Effective Date, by virtue of the Merger and without any action on the part of the holder of any share of CIBMAC Common Stock or any share of CFSI Common Stock, the following shall occur:

(a) each share of \$1.00 par common stock of CIBMAC issued and outstanding immediately prior to the Effective Date shall be converted into one validly issued, fully-paid and nonassessable share of the common stock of CFSI.

(b) All validly issued and outstanding shares of CFSI Common Stock on the Effective Date shall be converted, by virtue of the Merger, into such number of shares of the common stock of CIBM, par value \$1.00 per share (the "CIBM Common Stock"), and cash as follows:

(i) For purposes of this Plan of Merger, "CFSI Common Stock Exchange Value" shall mean the per share book value of CFSI Common Stock calculated pursuant to Sections 3.1(c) and (d) of this Plan of Merger multiplied by 1.68, and "CIBM Common Stock Exchange Value" shall mean the per share book value of CIBM Common Stock calculated pursuant to Section 3.1(c) and (d) of this Plan of Merger multiplied by 1.75;

(ii) the conversion ratio shall be determined by dividing the CFSI Common Stock Exchange Value by the CIBM Common Stock Exchange Value (the "Conversion Ratio");

(iii) each holder of CFSI Common Stock shall receive shares of CIBM Common Stock equal to the Conversion Ratio multiplied by the total number of shares of CFSI Common Stock owned directly or beneficially by such holder; and

(iv) each holder of CFSI Common Stock who would otherwise receive a fractional share of CIBM Common Stock will be paid cash in lieu of such fractional share in an amount equal to the fractional share, multiplied by the CIBM Common Stock Exchange Value.

(c) The per share book value of CFSI and CIBM common stock shall be calculated as of the last day of the month prior to the Closing Date. The per share book values of each CFSI and CIBM shall be calculated by dividing the Base Capital of each CFSI and CIBM (as hereinafter defined) by the number of their respective validly issued and outstanding shares of common stock. Base Capital shall be the capital of CFSI and CIBM, respectively calculated in accordance with generally accepted accounting principles ("GAAP") as of the last day of the month prior to the Closing Date and any adjustments contemplated by Section 3.1(d).

(d) No more than five (5) business days prior to the Closing Date, there shall commence an investigatory period during which CIBM and CFSI shall have an opportunity to conduct a review of the books and records of each other for the purpose of making the following adjustments to the capital of the other, as the case may be:

(i) professional fees not yet expensed or paid by CFSI in regard to its Fairness Opinion, other transaction related expenses and any other amounts due or to become due to its attorneys, accountants, advisors, consultants or others related to the Merger shall be deducted from the capital of CFSI;

(ii) professional fees not yet expensed or paid by CIBM to its attorneys, accountants, advisors, consultants or others related to the Merger shall be deducted from the capital of CIBM;

(iii) accounting and/or tax adjustments which relate to the termination of the Citrus Bank 401(k) Plan shall be deducted from the capital of CFSI;

(iv) an amount equal to the total loan charge-offs within CFSI's and the Bank's loan portfolio that would be made under CIBM's lending policies and procedures shall be deducted, to the extent possible, from CFSI's and the Bank's allowance for loan loss, with the remainder deducted from the capital of CFSI;

(v) following any deduction from CFSI's and the Bank's allowance for loan loss as provided in Section 3.1(d)(iv), an amount equal to the difference between (A) one percent (1.0%) of the total loans of CFSI and the Bank (excluding the charge-off loan amount calculated pursuant Section 3.1(d)(iv)) and (B) the amount of the allowance for loan loss of CFSI and the Bank, both calculated as of the Valuation Date, shall be deducted from the capital of CFSI, provided that the amount calculated pursuant to (A) is greater than the amount calculated pursuant to (B).

(vi) all other adjustments to be made to the capital of CFSI and CIBM as otherwise set forth in this Agreement.

(e) Each share of CFSI Common Stock held by CFSI as treasury stock shall be canceled and shall cease to exist, and no consideration shall be paid or delivered in exchange therefore under this Plan of Merger.

(f) Each issued and outstanding share of CFSI Common Stock, the holders of which have validly asserted dissenters' rights pursuant to Sections 607.1302 and 607.1320 of the FBCA, and shall not have effectively withdrawn or lost such right to receive payment of the fair value of his or her shares of CFSI Common Stock, shall not be converted into or represent a right to receive the consideration specified in subparagraph (b) of this Section 3.1, but the holder thereof shall be entitled only to such rights as are granted by Sections 607.1302 and 607.1320. Each shareholder who becomes entitled, pursuant to the provisions of Sections 607.1302 and 607.1320, to payment for his or her shares of CFSI Common Stock, shall receive payment therefor from the Surviving Corporation (but only after the amount thereof shall have been agreed upon or finally determined pursuant to such provisions), and such CFSI Common Stock shall be canceled.

(g) If any holder of shares of CFSI common stock who asserts dissenters' rights under Sections 607.1302 and 607.1320 shall effectively withdraw or lose (through failure to perfect or otherwise) his or her dissenters' rights, each such share of CFSI Common Stock shall be converted into the right to receive the consideration specified in Section 3.1(b).

(h) Each holder of an option to acquire CFSI shares of common stock which is vested, outstanding and exercisable pursuant to its terms at the Effective Time, shall be converted into shares of CIBM common stock in an amount equal to the difference between the CFSI Common Stock Exchange Value less the per share exercise price multiplied by a factor in which the numerator is equal to the number of exercisable stock options held by the holder and the denominator is the CIBM Common Stock Exchange Value. CIBM shall pay cash in lieu of fractional shares. As a condition to the receipt of such shares of CIBM common stock and cash in lieu of fractional shares, each option holder shall execute a cancellation agreement in form and substance reasonably satisfactory to CIBM.

(i) Until surrendered, certificates representing Shares of CFSI Common Stock will represent only the right to receive CIBM Common Stock and the cash consideration hereunder, without interest, and no holder of any such certificates shall have any further rights as a shareholder of CFSI.

ARTICLE IV SURRENDER AND PAYMENT FOR SHARES OF CFSI COMMON STOCK

4.1 Exchange of Shares. As soon as practicable after or prior to the Effective Date, CIBM shall deposit or cause to be deposited with a bank or trust company unaffiliated with CIBM (the "Exchange Agent"), for the benefit of holders of CFSI Common Stock, certificates representing the shares of CIBM Common Stock and cash in lieu of any fractional shares. Promptly after the Effective Date, the Exchange Agent shall send to each shareholder of CFSI (other than a shareholder who has asserted dissenters' rights under Sections 607.1302 and 607.1320) a notice and transmittal form advising such shareholder of the terms of the exchange effected by the Merger and the procedure for surrendering to the Exchange Agent each certificate evidencing CFSI Common Stock (a "CFSI Certificate") in exchange for a certificate or certificates evidencing CIBM Common Stock and cash in lieu of fractional shares, if any, to which such shareholder is entitled under Section 3.1(b) of this Plan of Merger. The notice and

transmittal form shall specify that delivery shall be effected, and risk of loss of, and title to, each CFSI Certificate shall pass, only upon delivery of such CFSI Certificate (or of a lost certificate affidavit in a form reasonably acceptable to CIBM) to the Exchange Agent. Upon surrender of each CFSI Certificate to the Exchange Agent for cancellation (or receipt by the Exchange Agent of a lost certificate bond in a form reasonably acceptable to CIBM), together with a duly executed copy of the transmittal form, the Exchange Agent shall promptly distribute to the holder of each CFSI Certificate a certificate or certificates evidencing the number of shares of CIBM Common Stock and cash in lieu of fractional shares, if any, to which the holder of such CFSI Certificate is entitled under Section 3.1(b) of this Plan of Merger, and each CFSI Certificate so surrendered shall forthwith be canceled. All payments of cash shall be made by check drawn to the order of the holder of record or other person specified in the transmittal form in accordance with the requirements thereof.

4.2 CFSI Certificate Holder Rights. Until a CFSI Certificate is surrendered and exchanged, each such outstanding CFSI Certificate shall for all purposes evidence the right to receive the number of shares of CIBM Common Stock and cash in lieu of fractional shares, if any, to which the holder of such CFSI Certificate is entitled under Section 3.1(b) of this Plan of Merger. Whenever a dividend or other distribution of property is declared by CIBM on CIBM common stock after the Effective Date, the declaration shall include such dividends or other distributions of property on all shares of CIBM common stock issuable under this Plan of Merger but no former shareholder of CFSI will be entitled to receive his or her dividend or other distribution of property until physical exchange of his or her CFSI Certificates pursuant to Articles III and IV of this Plan of Merger shall have been effected. Upon physical exchange of his or her CFSI Certificate, any such person shall be entitled to receive from CIBM an amount equal to all such dividends or distributions of property (without interest thereon and less the amount of taxes, if any, which may have been imposed or paid thereon) declared, and for which the payment has occurred, on the shares of CIBM Common Stock issued in exchange for the shares of CFSI Common Stock evidenced by such CFSI Certificate, subject to any applicable abandoned property or similar laws.

4.3 Closing CFSI Stock Transfer Book. As of the Effective Date, there shall be no further registration or transfers on the stock transfer books of CFSI of those shares of CFSI Common Stock which were outstanding immediately prior to the Effective Date. If, after the Effective Date, CFSI Certificates representing such shares are presented to CIBM or CIBMAC, such CFSI Certificates shall be canceled and exchanged for certificates representing shares of CIBM Common Stock and any cash in lieu of fractional shares, if any, as provided in this Plan of Merger.

4.4 CFSI Shareholder Payment Designations. If any certificates representing shares of CIBM Common Stock are to be issued in the name of, or any cash in lieu of fractional shares is to be paid to, a person other than the holder of record of CFSI Certificate surrendered in exchange therefore, it shall be a condition of the payment or issuance thereof that CFSI Certificate so surrendered shall be properly endorsed, accompanied by any documents required to evidence and effect such transfer and otherwise be in proper form for such transfer, and that the person requesting such exchange shall pay to the Exchange Agent any transfer or other taxes required by reason of such transfer or shall establish to the satisfaction of the Exchange Agent that such tax has been paid or is not applicable.

ARTICLE V GENERAL PROVISIONS

5.1 Post-Plan of Mergers. Each of the Merging Corporations hereby appoints the Surviving Corporation to be its true and lawful attorney for the purpose of taking, in its name, place and stead, any and all actions that the Surviving Corporation deems necessary or advisable to vest in the Surviving Corporation title to all property or rights of each of the Merging Corporations or otherwise to effect the purposes of this Agreement, and each of the Merging Corporations hereby grants to said attorney full power and authority to take all actions necessary to effect those purposes, including the power to execute, in its name, place and stead, such further assignments or assurances in law necessary or advisable to vest in the Surviving Corporation title to all property and rights of each of the Merging Corporations.

5.2 Termination. This Plan of Merger may be terminated and the Merger abandoned upon termination of the Reorganization Agreement by CIBM or CFSI in accordance with the provisions of Sections 1.5(c) or 7.4 of the Agreement.

5.3 Amendment. This Plan of Merger may be amended by a written amendment adopted by the Boards of Directors of CIBM, CIBMAC and CFSI, respectively, at any time prior to the filing of Articles of Merger with the Florida Secretary of State, provided that any amendment made to this Plan of Merger subsequent to the time that it is approved by the shareholders of CFSI may not (a) change the amount or kind of shares, securities, cash, property, or rights to be received in exchange for, or on conversion of, CFSI Common Stock in accordance with the Agreement and this Plan of Merger, or (b) change any other terms and conditions of this Plan of Merger if such change would materially and adversely affect CFSI or the holders of CFSI common stock.

5.4 Captions. The captions in this Agreement are for convenience only and shall not be deemed to explain, limit or amplify any of the provisions hereof.

5.5 Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Florida. The parties hereby agree and consent to personal jurisdiction and service and venue in any federal or state court in either Palm Beach or Indian River Counties, Florida.

IN WITNESS WHEREOF, each of the Merging Corporations has caused this Plan to be executed by its duly authorized officers and its corporate seal, if any, to be affixed hereto as of the date first above written.

CIBM ACQUISITION CORPORATION

CITRUS FINANCIAL SERVICES, INC.

By: 

Michael Straka, President
and Chief Executive Officer

By: _____

John A. Purdie, Vice Chairman