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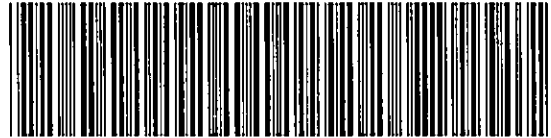
(Business Entity Name)

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DIVISION OF CORPORATIONS
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Amend

JUL 02 2018

D CUSHING



DREW J. BREAKSPEAR
Commissioner

INTEROFFICE COMMUNICATION

DATE: June 29, 2018

TO: Ms. Diane Cushing, Department of State
Division of Corporations

FROM: Jason Guevara, Licensing and Chartering

SUBJECT: Beach Community Bank

Please file the attached articles for the above-reference entities, using June 29, 2018 as the effective date.

Please make the following distribution of copies:

- (1) One certified copy to: Jason Guevara
Office of Financial Regulation
Licensing & Chartering
200 East Gaines Street
Tallahassee, FL 32399
- (2) One certified copy to: John P. Greeley
Smith Mackinnon, PA
Suite 1200
255 South Orange Avenue
Orlando, Florida 32801

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DIVISION OF CORPORATIONS
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Also attached is a check that represents payment of the filing fees and certified copies. If you have any questions please call (850) 410-9513.

SMITH MACKINNON, PA
ATTORNEYS AT LAW

SUITE 1200
CITRUS CENTER
255 SOUTH ORANGE AVENUE
ORLANDO, FLORIDA 32801

POST OFFICE BOX 2254
ORLANDO, FLORIDA 32802-2254

TELEPHONE: (407) 843-7300
FACSIMILE: (407) 843-2448
EMAIL: jpg7300@aol.com

JOHN P. GREELEY

June 28, 2018

Via Federal Express

Jason Guevara, Financial Administrator
Florida Office of Financial Regulation
Division of Banking, Fletcher Building
200 East Gaines Street
Tallahassee, FL 32399-0371

Re: Beach Community Bank
Fort Walton Beach, Florida

Dear Mr. Guevara:

Enclosed for filing with the Florida Secretary of State are Articles of Amendment to the Articles of Incorporation of the Bank, accompanied by our firm check in the amount of \$52.50 (payable to the Florida Secretary of State) for the filing fees (and the receipt of two certified copies, one for the Florida Office, and one to be returned to us). I have enclosed three copies. Please note that the Articles of Amendment are consistent with those previously reviewed by the Florida Office.

I would appreciate it if you could have these Articles of Amendment filed as soon as possible, and then I would appreciate it if you could send me an e-mail confirming delivery of the filing.

If there are any questions regarding the foregoing, please let me know at your earliest convenience. As always, we appreciate your assistance.

Very truly yours,


John P. Greeley

JPG:br
Enclosures

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SECRETARY OF STATE
JUN 29 PM 2:41
TALLAHASSEE, FLORIDA

RECEIVED
STATE OF FLORIDA
CASHIER'S OFFICE
JUN 29 PM 2:25

**ARTICLES OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
BEACH COMMUNITY BANK**

FILED
SECRETARY OF STATE
JUN 29 2018 PM 2:41

Pursuant to Section 607.1006, Florida Statutes, the Articles of Incorporation of Beach Community Bank (the "corporation") are hereby amended as follows:

FIRST: The following Article III, as contained in the corporation's Articles of Incorporation, shall be amended as follows:

ARTICLE III

The corporation shall have the authority to issue a total of 45,000,000 shares of capital stock divided as follows:

	Number of Shares	Par Value
Common Stock	30,000,000	\$5.00
Preferred Stock	15,000,000	\$5.00

The relative rights, preferences, and limitations of the shares of are as follows:

Section 3.1. *Common Stock*. Each holder of shares of Common Stock shall be entitled to one vote for each share of Common Stock held of record by such holder on all matters on which shareholders generally are entitled to vote.

Section 3.2 *Preferred Stock*. The shares of Preferred Stock, subject to applicable law and regulations, may be issued from time to time by the corporation, and the Board of Directors may create and divide such shares into classes, and such shares and the shares of each such class shall have such voting powers, full or limited, or no voting powers, and such designations, preferences, limitations and relative rights (or qualifications, conditions or restrictions thereon) as the Board of Directors may and hereby is authorized to determine.

(a) The attached Exhibit A sets forth the preferences, limitations and relative rights of the corporation's Convertible Perpetual Preferred Stock, Class A.

SECOND: The following Article VII shall be added to the corporation's Articles of Incorporation:

ARTICLE VII

(a) The corporation shall indemnify any person who was or is a party to any proceeding (other than an action by, or in the right of, the corporation), by reason of the fact that he or she is or was a director or officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against liability incurred in connection with

such proceeding, including any appeal thereof, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal action or proceeding had no reasonable cause to believe his conduct was unlawful. The termination of any proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the corporation or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(b) The corporation shall have the power to indemnify any person, who was or is a party to any proceeding by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses and amounts paid in settlement not exceeding, in the judgment of the board of directors, the estimated expenses of litigating the proceeding to conclusion, actually and reasonably incurred in connection with the defense or settlement of such proceeding, including any appeal thereof. Such indemnification shall be authorized if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to the best interests of the corporation, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable unless, and only to the extent that, the court in which such proceeding was brought, or any other court of competent jurisdiction, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

(c) To the extent that a director, officer, employee, or agent of the corporation has been successful on the merits or otherwise in the defense of any proceeding referred to in subsections (a) or (b), or in the defense of any claim, issue, or matter therein, he or she shall be indemnified against expenses actually and reasonably incurred by him or her in connection therewith.

(d) Any indemnification under subsections (a) or (b), unless pursuant to a determination by a court, shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because he has met the applicable standard of conduct set forth herein.

(e) Evaluation of the reasonableness of expenses and authorization of indemnification shall be made in the same manner as the determination that indemnification is permissible. However, if the determination of permissibility is made by independent legal counsel, persons designated by independent legal counsel shall evaluate the reasonableness of expenses and may authorize indemnification.

(f) Expenses incurred by an officer or director in defending a civil or criminal proceeding may be paid by the corporation in advance of any final disposition of such proceeding upon receipt of an undertaking by or behalf of such director or officer to repay such

amount if he is ultimately found not to be entitled to indemnification by the corporation pursuant to this Article.

(g) The indemnification and advancement of expenses provided pursuant to this Article are not exclusive, and the corporation may make any other or further indemnification or advancement of expenses of any of its directors, officer, employees or agents, under any bylaw, agreement, vote of shareholders, or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. However, indemnification or advancement of expenses shall not be made to or on behalf of any director, officer, employee, or agent if a judgment or other final adjudication establishes that his actions or omissions to act, were material to the cause of action so adjudicated and constitute:

(i) a violation of criminal law, unless the director had reasonable cause to believe his conduct was lawful or had no reasonable cause to believe his conduct was unlawful;

(ii) a transaction from which the director received an improper personal benefit;

(iii) in the case of a director, a circumstance under which the liability provisions of Section 607.0834 of the Act are applicable;

(iv) in a proceeding by or in the right of the corporation to procure a judgment in its favor or by or in the right of a shareholder, conscious disregard for the best interests of the corporation or willful misconduct; or

(v) in a proceeding by or in the right of someone other than the corporation or a shareholder, recklessness or an act or omission which was committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety or property.

Exhibit A

Section 1. *Designation.* There is hereby created out of the authorized and unissued shares of preferred stock of the corporation a class of preferred stock designated as the "Convertible Perpetual Preferred Stock, Class A" (the "*Class A Preferred Stock*"). The number of shares constituting such class shall be 6,000,000. The Class A Preferred Stock shall have a par value of \$5.00 per share.

Section 2. *Ranking.* The Class A Preferred Stock will rank subordinate and junior to all future issuances of preferred stock other than those which, by their respective terms, rank *pari passu* with or junior to the Class A Preferred Stock, and shall rank *pari passu* with the Common Stock with respect to all terms (other than voting, as set forth herein), including, the payment of dividends or distributions, and payments and rights upon liquidation, winding up and dissolution.

Section 3. *Definitions.*

The following initially capitalized terms shall have the following meanings, whether used in the singular or the plural:

(h) "*Affiliate*" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Person, as such terms are used in and construed under Rule 405 under the Securities Act of 1933, as amended.

(i) "*Articles of Amendment*" means these Articles of Amendment relating to the Class A Preferred Stock.

(j) "*Bank*" means Beach Community Bank, a Florida banking corporation.

(k) "*Board of Directors*" means the board of directors of the Bank.

(l) "*Business Day*" means a day, other than a Saturday or Sunday, on which banks in Florida are open for the general transaction of business.

(m) "*Common Stock*" means the Bank's shares of common stock, par value \$5.00 per share.

(n) "*Dividends*" has the meaning set forth in Section 4.

(o) "*Holder*" means the Person in whose name the shares of the Class A Preferred Stock are registered, which may be treated by the Bank as the absolute owner of the shares of Class A Preferred Stock for the purpose of making payment and settling the related conversions and for all other purposes.

(p) "*Initial Holder*" means the Person in whose name shares of the Class A Preferred Stock will be registered pursuant to a Stock Subscription Agreement dated April 6, 2018 entered into by such Person and the Bank.

(q) “*Mandatory Conversion*” has the meaning set forth in Section 6.

(r) “*Mandatory Conversion Date*” has the meaning set forth in Section 6.

(s) “*Notice of Conversion*” has the meaning set forth in Section 6.

(t) “*Permissible Transfer*” means a transfer by the Holder (i) to an Affiliate of the Holder or to the Bank, (ii) in a widespread public distribution of Common Stock or Class A Preferred Stock, (iii) in which no transferee (or group of Affiliated transferees) would receive 2% or more of any class of voting securities of the Bank; or (iv) to a transferee that would control more than a majority of the voting securities of the Bank (not including voting securities such person is acquiring from the transferor).

(u) “*Person*” means a legal person, including any individual, corporation, estate, partnership, joint venture, association, joint-stock company, limited liability company or trust.

(v) “*Reorganization Event*” means (i) any consolidation, merger or other similar business combination of the Bank with or into another Person, in each case pursuant to which the Common Stock will be converted through liquidation or otherwise into cash, securities or other property of the Bank or another Person; (ii) any sale, transfer, lease or conveyance to another Person of all or substantially all of the property or assets of the Bank, in each case pursuant to which the Common Stock will be converted into cash, securities or other property of the Bank or another Person; or (iii) any change, including by capital reorganization, reclassification or otherwise (other than a transaction resulting in an adjustment pursuant to Section 4 below), of the Common Stock into securities including securities other than Common Stock.

(w) “*Class A Preferred Stock*” has the meaning set forth in Section 1.

Section 4. *Dividends and Distributions; Adjustments for Combinations and Divisions of Common Stock*

(a) Holders of Class A Preferred Stock will be entitled to receive, when, as and if declared by the Board of Directors or a duly authorized committee of the Board of Directors, out of funds legally available therefor, non-cumulative dividends (“*Dividends*”) in the same per share amount as the Dividends paid on a share of Common Stock, and no more. No Dividends may be paid on the Common Stock or any other class of capital stock ranking with respect to Dividends *pari passu* with the Common Stock unless an identical Dividend is paid at the same time on the Class A Preferred Stock; provided, however, that if a stock Dividend is paid on Common Stock in Common Stock, the Holders will be paid an equivalent stock Dividend payable solely in shares of Class A Preferred Stock. Dividends that are payable on Class A Preferred Stock will be payable to the Holders of record of Class A Preferred Stock as they appear on the stock register of the Bank on the applicable record date, as determined by the Board of Directors, which record date will be the same as the record date for the equivalent Dividend of the Common Stock. In the event that the Board of Directors does not declare or pay any Dividends with respect to shares of Common Stock, then the Holders will have no right to receive any Dividends.

(b) Subject to Section 9 below, in the event that the Bank at any time or from time to time will effect a division of the Common Stock into a greater number of shares (by stock split, reclassification or otherwise than by payment of a Dividend in Common Stock or in any right to acquire the Common Stock), or in the event the outstanding Common Stock will be combined or consolidated, by reclassification, reverse stock split or otherwise, into a lesser number of shares of the Common Stock, then the Class A Preferred Stock will, concurrently with the effectiveness of such event, be proportionately split, reclassified, combined, consolidated, reverse-split or otherwise, as appropriate, such that the number of shares of Common Stock and Class A Preferred Stock outstanding immediately following such event shall bear the same relationship to each other as did the number of shares of Common Stock and Class A Preferred Stock outstanding immediately prior to such event.

Section 5. *Liquidation.*

(a) In the event the Bank voluntarily or involuntarily liquidates, dissolves or winds up, the Holders at the time shall be entitled to receive liquidating distributions per share of Class A Preferred Stock in an amount equal to the amount the holder of such share of Class A Preferred Stock would receive in respect of such share if such share had been converted into Common Stock immediately prior to such liquidation, dissolution, or winding up (assuming the conversion of all shares of Class A Preferred Stock at such time, without regard to any limitations on conversion of the Class A Preferred Stock), plus an amount equal to any authorized and declared but unpaid dividends thereon, to and including the date of such liquidation, out of assets legally available for distribution to the Bank's shareholders.

(b) The Bank's consolidation or merger with or into any other entity, the consolidation or merger of any other entity with or into the Bank, or the sale of all or substantially all of the Bank's property or business will not constitute its liquidation, dissolution or winding up.

Section 6. *Conversion.*

(a) *Mandatory Conversion.* On the date a Holder transfers any shares of Class A Preferred Stock to a non-Affiliate of the Holder in a Permissible Transfer (the "*Mandatory Conversion Date*"), each such transferred share of Class A Preferred Stock will automatically convert, immediately following such transfer and without any further action on the part of any Holder, into one share of Common Stock (a "*Mandatory Conversion*").

(b) *Optional Conversion.* The Initial Holder of each share of Class A Preferred Stock shall be permitted to convert, or upon the written request of the Bank shall convert, each such share of Class A Preferred Stock into a share of Common Stock at any time and from time to time; provided, that upon such conversion the Holder, together with all Affiliates of the Holder, will not own or control in the aggregate more than 9.9% of the Common Stock (or any class of voting securities issued by the Bank), excluding for the purpose of this calculation any reduction in ownership resulting from transfers by such Holder of voting securities of the Bank (which, for the avoidance of doubt, does not include Class A Preferred Stock (an "*Optional Conversion*"). For the avoidance of doubt, the Optional Conversion right shall only be available to the Initial Holder of each share of Class A Preferred Stock and shall not

attach to any share of Class A Preferred Stock that is transferred by such Initial Holder in a non-Permissible Transfer.

(c) No later than three (3) Business Days following any Mandatory Conversion, or at least three (3) Business Days before any Optional Conversion at the election of the Holder, the Holder of the converted shares shall provide the Bank a written notice of such conversion, or at least three (3) Business Days before any Optional Conversion at the election of the Bank, the Bank shall provide the Holder a written notice of such conversion (each such notice, a "*Notice of Conversion*"). In addition to any information required by applicable law or regulation, the Notice of Conversion shall state (i) the number of shares of Common Stock to be issued in respect of such conversion, (ii) the name in which shares of Common Stock to be issued upon such conversion should be registered, and (iii) the manner in which certificates of Class A Preferred Stock held by such Holder are to be surrendered for issuance of certificates representing shares of Common Stock. As promptly as practicable following delivery of the Notice of Conversion, with respect to any shares of Class A Preferred Stock as to which a Mandatory Conversion or Optional Conversion shall have occurred, the Bank shall issue and deliver certificates representing shares of Common Stock to the Holder thereof or such Holder's designee upon presentation and surrender of the certificate evidencing such Class A Preferred Stock to the Bank and, if required, furnishing appropriate endorsements and transfer documents and the payment of all transfer and similar taxes, and, in the event that such conversion is with respect to some, but not all, of the shares of Class A Preferred Stock represented by the certificate surrendered, the Bank shall issue and deliver a certificate or certificate(s) representing the number of shares of Class A Preferred Stock that were not converted to Common Stock.

(d) The Person or Persons entitled to receive the Common Stock issuable upon conversion of Class A Preferred Stock in the case of a Mandatory Conversion shall be treated for all purposes as the record holder(s) of such shares of Common Stock and/or securities as of the close of business on the Mandatory Conversion Date with respect thereto. Notwithstanding anything herein to the contrary, in the event that a Holder shall not by written notice designate the name in which shares of Common Stock to be issued or paid upon conversion of shares of Class A Preferred Stock should be registered or paid or the manner in which such shares should be delivered, the Bank shall be entitled to withhold issuance of the Common Stock until such time as the Holder provides the required information.

(e) Shares of Class A Preferred Stock converted in accordance with this Section 6 will resume the status of authorized and unissued preferred stock, undesignated as to class and available for future issuance.

(f) Prior to the close of business on the Mandatory Conversion Date with respect to any share of Class A Preferred Stock, shares of Common Stock issuable upon conversion thereof shall not be deemed outstanding for any purpose, and the Holder thereof shall have no rights with respect to the Common Stock (including voting rights) by virtue of holding such share of Class A Preferred Stock.

(g) All shares of Common Stock delivered upon conversion of the Class A Preferred Stock shall be duly authorized, validly issued, fully paid and non-assessable, free and

clear of all liens, claims, security interests, charges and other encumbrances other than those established by the Holder thereto.

Section 7. Restriction on Transfer.

(a) A Holder may not sell or transfer any shares of capital stock of the Bank other than to an Affiliate of the Holder or to the Bank if, as a result of the transfer, the Holder would have transferred to persons other than Affiliates of the Holder or the Bank in the aggregate, since the date of these Articles of Amendment, ownership or control of 33.3 percent or more of any class of the Bank's voting securities. The percentage set forth in the previous sentence shall be calculated using the following formula: (i) the numerator, which will be the total number of shares of Bank stock (Common Stock, Class A Preferred Stock and any other shares of stock convertible into Common Stock) owned or controlled by the Holder as of the date of these Articles of Amendment or subsequently acquired or controlled by the Holder, that the Holder has sold or transferred to any person other than Affiliates of the Holder or the Bank (reflecting any conversion as a result of such sales or transfers), plus the number of such shares that the Holder proposes to sell or transfer (reflecting any conversion as a result of such proposed sale or transfer), divided by: (ii) the denominator, which will be the total number of shares of Common Stock outstanding immediately following the proposed sale or transfer plus the number of shares of Class A Preferred Stock and any other shares of stock convertible into Common Stock owned or controlled by the Holder immediately following the proposed sale or transfer (reflecting any conversion that would result from such sale or transfer).

(b) If any sale or transfer of shares by a Holder would cause the Holder's aggregate sales or transfers to exceed the limitation set forth in Section 7(a), such sale or transfer shall be null and void with respect to only that number of shares that would cause such sale or transfer to exceed such limitation.

Section 8. Voting Rights.

(a) Holders will not have any voting rights, including the right to elect any directors, except (i) voting rights, if any, required by law and (ii) voting rights described in this Section 8. So long as any shares of Class A Preferred Stock are outstanding, and subject to Section 9 herein, the vote or consent of the Holders of a majority of the shares of Class A Preferred Stock at the time outstanding, voting as a single class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, will be necessary for effecting or validating any amendment, alteration or repeal (including by means of a merger, consolidation or otherwise) of any provision of the Bank's Articles of Incorporation (including these Articles of Amendment) that would alter or change the rights, preferences or privileges of the Class A Preferred Stock so as to affect them significantly and adversely; *provided, however*, that any increase in the amount of the authorized preferred stock, common stock or any securities convertible into preferred stock or the creation and issuance, or an increase in the authorized or issued amount, of any class of preferred stock or any securities convertible into preferred stock ranking senior to, equally with and/or junior to the Class A Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and/or the distribution of assets upon the Bank's liquidation, dissolution or winding up will not, in and of itself, be deemed to adversely affect rights, preferences or

privileges of the Class A Preferred Stock and, to the fullest extent permissible by Florida law, Holders will have no right to vote solely by reason of such an increase, creation or issuance, so long as the Class A Preferred Stock remains *pari passu* with the Common Stock.

(b) Notwithstanding the foregoing, Holders shall not have any voting rights if, at or prior to the effective time of the act with respect to which such vote would otherwise be required, all outstanding shares of Class A Preferred Stock shall have been converted into shares of Common Stock.

(c) If the Federal Deposit Insurance Corporation, the Florida Office of Financial Regulation or the Board of Governors of the Federal Reserve System determines that the Class A Preferred Stock is classified as "voting stock" for the purposes of the Bank Holding Company Act, the Change in Bank Control Act, or any other change-in-control type limitation under federal or Florida law, the Holders and the Bank will make such reasonable modifications to the voting rights in this Section 8 so that the Class A Preferred Stock is no longer considered "voting stock."

Section 9. *Reorganization Events.*

(a) So long as any shares of Class A Preferred Stock are outstanding, if there occurs a Reorganization Event, then a Holder shall, effective as of the consummation of such Reorganization Event, automatically receive for such Class A Preferred Stock the type and amount of securities, cash and other property receivable in such Reorganization Event by a Holder of the number of shares of Common Stock into which the number of shares of Class A Preferred Stock held by such Holder would then be convertible; provided that if upon receipt of such securities, cash and other property, such Holder, together with all Affiliates of the Holder, would own or control in the aggregate more than the Reorganization Threshold of any class of voting securities of the Person surviving such Reorganization Event or the parent company of such Person, as the case may be, then, in lieu of any securities that would cause the Reorganization Threshold to be exceeded, such Holder shall instead receive substantially identical preference securities to the Class A Preferred Stock (with voting and conversion provisions similar to those contained in these Articles of Amendment) of the Person surviving such Reorganization Event or the parent company of such Person, as the case may be. For purposes of this Section 9(a), the "*Reorganization Threshold*" means the lesser of the proportionate amount of the outstanding Common Stock of the Company held by the Holder immediately prior to the Reorganization Event and 9.99%.

(b) In the event that holders of shares of Common Stock have the opportunity to elect the form of consideration to be received in such transaction, the Holders of Class A Preferred Stock shall be entitled to participate in such elections as if they had converted all of their Class A Preferred Stock into Common Stock immediately prior to the election deadline.

Section 10. *Reservation of Shares Issuable upon Conversion.* The Bank will at all times reserve and keep available out of its authorized but unissued Common Stock solely for the purpose of effecting the conversion of the Class A Preferred Stock such number of shares of Common Stock as will from time to time be sufficient to effect the conversion of all outstanding Class A Preferred Stock.

Section 11. *Maturity; Redemption.* The Class A Preferred Stock shall be perpetual, unless converted in accordance with these Articles of Amendment. The Class A Preferred Stock will not be redeemable at the option of the Bank or any Holder at any time. Notwithstanding the foregoing, nothing contained herein shall prohibit the Bank from repurchasing for cash, exchanging for other securities of the Bank or otherwise acquiring shares of Class A Preferred Stock in voluntary transactions with the Holders; provided that to the extent any approval of any regulatory authority is or would be required for the capital treatment of such securities or to effect such transaction, such regulatory approval should be a condition thereafter. Any shares of Class A Preferred Stock repurchased, exchanged or otherwise acquired may be cancelled by the Bank and thereafter be reissued as shares of any class of preferred stock of the Bank.

Section 12. *Replacement Certificates.*

(a) The Bank shall replace any mutilated certificate at the Holder's expense upon surrender of that certificate to the Bank. The Bank shall replace certificates that become destroyed, stolen or lost at the Holder's expense upon delivery to the Bank of satisfactory evidence that the certificate has been destroyed, stolen or lost, together with any indemnity that may be required by the Bank.

(b) The Bank shall not be required to issue any certificates representing the Class A Preferred Stock on or after the Mandatory Conversion Date. In place of the delivery of a replacement certificate following the Mandatory Conversion Date, the Bank, upon delivery of the evidence and indemnity described in clause (a) above, shall deliver the shares of Common Stock pursuant to the terms of the Class A Preferred Stock formerly evidenced by the certificate.

Section 13. *Miscellaneous.*

(a) All notices referred to herein shall be in writing, and, unless otherwise specified herein, all notices hereunder shall be deemed to have been given upon the earlier of receipt thereof or five Business Days after the mailing thereof if sent by registered or certified mail (unless first-class mail shall be specifically permitted for such notice under the terms of these Articles of Amendment) with postage prepaid, addressed: (i) if to the Bank, to its office at 17 S.E. Eglin Parkway, Fort Walton Beach, FL 32548, Attention: Chief Executive Officer, (ii) if to any Holder, to such Holder at the address of such Holder as listed in the stock record books of the Bank or (iii) to such other address as the Bank or any such Holder, as the case may be, shall have designated by notice similarly given.

(b) The Bank shall pay any and all stock transfer and documentary stamp taxes that may be payable in respect of any issuance or delivery of shares of Class A Preferred Stock or shares of Common Stock or other securities issued on account of Class A Preferred Stock pursuant hereto or certificates representing such shares or securities. The Bank shall not, however, be required to pay any such tax that may be payable in respect of any transfer involved in the issuance or delivery of shares of Class A Preferred Stock or Common Stock or other securities in a name other than that in which the shares of Class A Preferred Stock with respect to which such shares or other securities are issued or delivered were registered, or in respect of any payment to any Person other than a payment to the registered holder thereof, and shall not be required to make any such issuance, delivery or payment unless and until the Person otherwise

entitled to such issuance, delivery or payment has paid to the Bank the amount of any such tax or has established, to the satisfaction of the Bank, that such tax has been paid or is not payable.

(c) All payments on the shares of Class A Preferred Stock shall be subject to withholding and backup withholding of tax to the extent required by applicable law, subject to applicable exemptions, and amounts withheld, if any, shall be treated as received by the holders thereof.

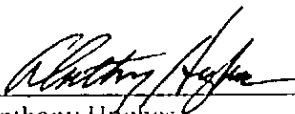
(d) No share of Class A Preferred Stock shall have any rights of preemption whatsoever under these Articles of Amendment as to any securities of the Bank, or any warrants, rights or options issued or granted with respect thereto, regardless of how such securities, or such warrants, rights or options, may be designated issued or granted.

(e) The shares of Class A Preferred Stock shall not have any voting powers, preferences or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or in the Articles of Incorporation or as provided by applicable law.

The foregoing Articles of Amendment to the Articles of Incorporation were adopted by the holders of in excess of a majority of the outstanding shares of Common Stock, being the sole voting group entitled to vote thereon, on June 28, 2018 and the number of votes cast for the Articles of Amendment was sufficient for approval by the holders of Common Stock.

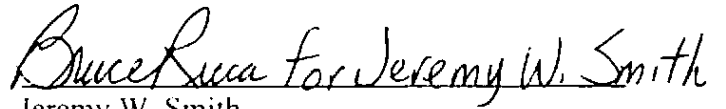
IN WITNESS WHEREOF, the undersigned has caused these Articles of Amendment to Articles of Incorporation to be signed by its duly authorized officer as of this 28th day of June, 2018.

BEACH COMMUNITY BANK

By: 
A. Anthony Hughes
President and Chief Executive Officer

APPROVAL

Approved by the Florida Office of Financial Regulation on this 29th day of June, 2018.


Jeremy W. Smith
Director, Division of Financial Institutions