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TALLAHASSEE, FLORIDA

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Merger
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John Pullen with the Division of Banking confirmed and approved by telephone on March 21, 2011, the fact that this "Agreement and Plan of Merger" meets the requirements of "Articles of Merger and Plan of Merger" as required by Chapter 607. This is a merger filed pursuant to both Banking Code and Corporate Statutes and, in its entirety, meets both requirements. This document also includes a Certificate issued by the Division of Corporations of previously filed articles and amendments and should not confuse anyone viewing this document. These documents were included in the Merger document for historic purposes as required by Banking Code.



J. Thomas Cardwell
Commissioner

INTEROFFICE COMMUNICATION

DATE: March 18, 2011

TO: Karon Beyer, Department of State
Division of Corporations - Bureau of Commercial Recordings

FROM: John A. Pullen, Division of Financial Institutions *John Pullen*

SUBJECT: Merger of Southwest Capital Bank, N.A. with and into Stonegate Bank,
Ft. Lauderdale, Broward County, Florida

Please file the attached "Merger Documents" for the above-referenced institutions, using March 18, 2011, as the effective date for the merger.

Please make the following distribution of certified copies of the merger documents:

- (1) One copy to: Office of Financial Regulation
Division of Financial Institutions
200 East Gaines Street
Tallahassee, Florida 32399-0371
- (2) Three copies to: Mr. Gerald W. Oliver
Director-Regulatory Affairs
Stonegate Bank
1430 North Federal Highway
Fort. Lauderdale, Florida 33304

Also attached is a check that represents payment of the filing fees, charter tax and certified copies. If there is an over-payment of fees, please remit a refund to Stonegate Bank at the above address. If there is an under-payment or if you have any questions, please call Mr. Jerry Oliver at (954) 315-5514.

OFFICE OF FINANCIAL REGULATION



Having been approved by the Commissioner of the Office of Financial Regulation on December 27, 2010, to merge Stonegate Bank, Ft. Lauderdale, Broward County, Florida, and Southwest Capital Bank, N.A., Ft. Myers, Lee County, Florida, and being satisfied that the conditions of approval have been met, I approve for filing with the Florida Department of State, the attached "Plan of Merger and Articles of Merger," which contains the Articles of Incorporation of Stonegate Bank (the resulting bank), so that effective on March 18, 2011, they shall read as stated herein.

Signed on this 18th day
of March, 2011.



Linda B. Charity, Director
Division of Financial Institutions

OFFICE OF FINANCIAL REGULATION

CERTIFICATE OF MERGER

WHEREAS, Section 658.41, Florida Statutes, provides for the merger of financial institutions; and

WHEREAS, I am satisfied that the terms of the Plan of Merger and Articles of Merger between the financial institutions described below comply with Section 658.43(3), Florida Statutes, and that the other regulatory conditions of the Office have been met,

NOW, THEREFORE, I, Linda Charity as Director of the Division of Financial Institutions, Office of Financial Regulation, do hereby issue this Certificate authorizing consummation of the merger of the following constituent financial institutions:

Stonegate Bank
Ft. Lauderdale, Broward County, Florida

Charter #1149

Southwest Capital Bank, N.A.
Ft. Myers, Lee County, Florida

under the charter of: Stonegate Bank
under the title of: Stonegate Bank
under State Charter No: 1149

And, I further authorize Stonegate Bank to continue the transaction of a general banking business with its main office at 1430 North Federal Highway, Ft. Lauderdale, Broward County, Florida, and with branch offices as authorized by law.



Signed and Sealed this 18th day
of March, 2011.

A handwritten signature in cursive script that reads "Linda B. Charity".

Linda B. Charity, Director
Division of Financial Institutions

Signed Copy

EXECUTION COPY X

AGREEMENT AND PLAN OF MERGER

by and among

STONEGATE BANK

SOUTHWEST CAPITAL BANCSHARES, INC.

and

SOUTHWEST CAPITAL BANK, N.A.

Dated as of August 30, 2010

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**SOUTHWEST CAPITAL BANCSHARES, INC.
OFFICER'S CERTIFICATE**

The undersigned hereby certifies as follows:

1. The undersigned is the duly appointed and acting President of Southwest Capital Bancshares, Inc. (the "Company").

2. The following is a true, accurate and complete transcript of resolutions duly, validly and lawfully adopted effective as of the 30th of August, 2010:

The undersigned, Southwest Capital Bancshares, Inc., a Florida corporation, being the sole shareholder (the "Shareholder") of Southwest Capital Bank, N.A. (the "Bank"), hereby adopts the following resolutions by written consent in lieu of a meeting:

WHEREAS, the Shareholder owns 100% of the issued and outstanding shares of the Bank; and

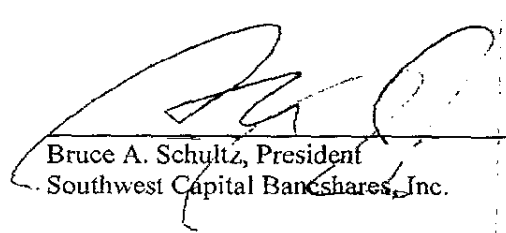
WHEREAS, the Board of Directors of the Bank has recommended to the Shareholder a proposal for the Bank to enter into an Agreement and Plan of Merger substantially in the form attached hereto as Exhibit A (the "Merger Agreement"), pursuant to which the Bank will merge with and into Stonegate Bank.

NOW, THEREFORE, BE IT RESOLVED, that the officers of the Bank are hereby authorized to execute the Merger Agreement; to execute and file for all necessary regulatory approvals of the Merger, including without limitation, applications with the State of Florida Department of Financial Services and the Federal Deposit Insurance Corporation; to execute and file Articles of Merger with the Secretary of State of the State of Florida with respect to the same; and to execute such other documents and perform such other actions as may be necessary to consummate the transactions contemplated by the Merger Agreement.

3. The foregoing resolutions have not been rescinded, modified or repealed in any manner, are not in conflict with any agreement of the Company and are in full force and effect as of the date of this Certificate.

4. The shareholders of the Company approved the Agreement and Plan of Merger, as amended, referenced in paragraph 2 above at a duly called special meeting held on March 17, 2011.

IN WITNESS WHEREOF, the undersigned has executed this Officer's Certificate pursuant to due authorization, all as of this 18th, day of March, 2011.



Bruce A. Schultz, President
Southwest Capital Bancshares, Inc.

PLAN OF MERGER

This Plan of Merger (the "Plan of Merger"), which was adopted and approved as of the 17th day of March, 2011, by the parties hereto, and is submitted in compliance with the provisions of Section 607 of the Florida Business Corporation Act.

FIRST: The exact name and jurisdiction of the **surviving** party are as follows:

<u>Name</u>	<u>Jurisdiction</u>
Stonegate Bank	Florida

SECOND: The exact name and jurisdiction of the **merging** party are as follows:

<u>Name</u>	<u>Jurisdiction</u>
Southwest Capital Bank, N.A.	National Banking Association

THIRD:

1. On the Effective Date, the Merging Party shall cease, and the Merging Party shall be merged into the Surviving Party in accordance with the provisions of Section 607 of the Florida Business Corporation Act. The Surviving Party shall be the surviving entity of the merger, and shall continue to exist as a commercial banking association under the laws of the State of Florida, with all of the rights and obligations as are provided thereunder.

2. On the Effective Date, the Articles of Incorporation of the Surviving Party, as in effect immediately prior to the Effective Date, shall continue to be the Articles of Incorporation of the Surviving Party, until thereafter amended.

3. On the Effective Date, the Bylaws of the Surviving Party, as in effect immediately prior to the Effective Date, shall continue to be the Bylaws of the Surviving Party, until thereafter altered, amended or repealed.

FOURTH:

1. On the Effective Date, Southwest Capital Bancshares, Inc. ("SCB"), as the sole shareholder of the Merging Party, will receive approximately 529,766 shares of Surviving Party common stock in exchange for 2,100,000 shares of Merging Party common stock owned by SCB immediately prior to the closing of the Merger. Immediately following the consummation of the merger described herein, SCB will be dissolved and the consideration received by SCB will be distributed to SCB's shareholders on a pro rata basis, at which time SCB will cease to exist and shareholders of the Merging Party will be shareholders solely of the Surviving Party.

2. On the Effective Date, each right to acquire additional Shares of the Merging Party, to the extent that any such rights exist, shall, by virtue of the Merger and without any action on the part of the holder thereof, be canceled and extinguished.

FIFTH: EFFECTIVE DATE

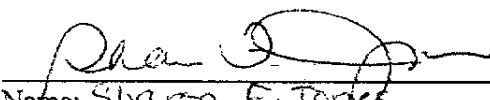
The merger shall be effective on the date the Articles of Merger are filed with the Secretary of State of the State of Florida (the "Effective Date").

[Signatures on the next page]

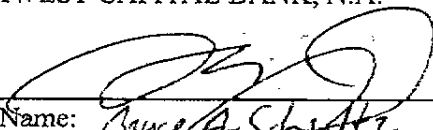
7.2

IN WITNESS WHEREOF, the parties have executed and delivered this Plan of Merger
as of March 18th, 2011.

STONEGATE BANK

By: 
Name: Sharon F. Jones
Title: SVP/CFO

SOUTHWEST CAPITAL BANK, N.A.

By: 
Name: Bruce A. Schutte
Title: Pres./CEO

**STONEGATE BANK
OFFICER'S CERTIFICATE**

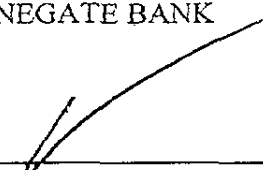
March 17, 2011

Reference is made to that certain Agreement and Plan of Merger by and among Stonegate Bank ("Stonegate"), Southwest Capital Bancshares, Inc. ("SCB") and Southwest Capital Bank, N.A. ("Southwest"), dated August 30, 2010, as amended (the "Agreement"). The undersigned hereby certifies that (i) the Agreement has been submitted to the shareholders of Stonegate entitled to vote to approve the Agreement and the transactions contemplated thereby (the "Merger"), (ii) that the Merger has been approved by written consent of a majority of such shareholders, which is the requisite number required for approval of the Merger pursuant to Stonegate's governing instruments and Florida law, and (iii) no shareholder of Stonegate has notified Stonegate of its dissent from the Merger.

[Signatures on following page]

IN WITNESS WHEREOF, the undersigned has executed this Officer's Certificate as of the date first above written.

STONEGATE BANK

By: 
Dave Seleski,
President and CEO

AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER (this "Agreement"), dated as of August 30, 2010, among Stonegate Bank, a Florida commercial banking association ("Stonegate"), Southwest Capital Bancshares, Inc., a Florida corporation ("SCB"), and Southwest Capital Bank, N.A., a national banking association and wholly-owned subsidiary of SCB ("Southwest").

RECITALS

The Boards of Directors of Stonegate, SCB and Southwest have determined that it is in the best interests of their respective companies and their stockholders to consummate the business combination transaction provided for herein in which Southwest will, subject to the terms and conditions set forth herein, merge (the "Merger") with and into Stonegate.

The Merger is subject to the approval of the stockholders of SCB and Southwest. As an inducement or condition to Stonegate entering into this Agreement, certain of the stockholders of SCB and Southwest (i.e., all of its directors and certain stockholders) have agreed to vote all of their shares of SCB Common Stock and Southwest Common Stock which they are entitled to vote in favor of the transactions contemplated by this Agreement at the meetings of SCB stockholders and Southwest stockholders at which this Agreement is considered, as set forth in the form attached hereto as Exhibit A ("Voting Agreement").

The parties desire to make certain representations, warranties and agreements in connection with the Merger and also to prescribe certain conditions to the Merger.

AGREEMENT

In consideration of the mutual covenants, representations, warranties and agreements contained herein, and intending to be legally bound hereby, the parties agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

1.1 Definitions. The following terms shall have the indicated definitions.

Acquisition Proposal. Any tender offer or exchange offer or any proposal for a merger, reorganization, consolidation, share exchange, recapitalization, liquidation, dissolution or other business combination involving Southwest or any proposal or offer to acquire a substantial equity interest in, or a substantial portion of the assets of, Southwest, other than the transaction contemplated by this Agreement.

Affiliate. 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. For the purposes of this definition, "control" means, when used with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract, or otherwise, and the terms "controlling" and "controlled" have correlative meanings.

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FLORIDA

Average Closing Price. The average of the last reported sale price per share of the Stonegate Common Stock on the Over-the-Counter Bulletin Board (as reported in the Wall Street Journal or another mutually agreeable authoritative source) for the twenty (20) consecutive trading days immediately prior to the fifth business day prior to the Effective Time, with the minimum being \$12.20 and the maximum being \$15.00.

Articles of Merger. The articles of merger complying with the FBA and the NBA reflecting the merger of Southwest with and into Stonegate.

BHC Act. The Bank Holding Company Act of 1956, as amended.

Code. The Internal Revenue Code of 1986, as amended.

Effective Time. The effective time of the Merger as specified in the Articles of Merger.

Environmental Laws. All federal, state and local laws, including common-law statutes, regulations, ordinances, codes, rules and other governmental restrictions, standards and requirements relating to the discharge of air pollutants, water pollutants or process waste water or substances, as now or at any time hereafter in effect, including, but not limited to, the Federal Solid Waste Disposal Act, the Federal Hazardous Materials Transportation Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Responsibility Cleanup and Liability Act of 1980, as amended ("CERCLA"), regulations of the Environmental Protection Agency, regulations of the Nuclear Regulatory Agency, regulations of the Occupational Safety and Health Administration, and any so-called "Superfund" or "Superlien" Laws.

ERISA. The Employee Retirement Income Security Act of 1974, as amended.

Exchange Act. The Securities Exchange Act of 1934, as amended.

Exchange Ratio. Purchase Price divided by 2,100,000, the total number of shares of Southwest Common Stock to be issued and outstanding at the Effective Time, divided by the Average Closing Price.

Expenses. All reasonable in amount and reasonably incurred out-of-pocket expenses (including all reasonable fees and reasonable expenses of counsel, accountants, investment bankers, experts and consultants to the applicable Party and its Affiliates) incurred by or on behalf of a Party to this Agreement in connection with this Agreement or the transactions contemplated by this Agreement.

FBA. Florida Interstate Branching Act, as amended, and the Florida Banking Corporation Act, as amended.

FDIC. The Federal Deposit Insurance Corporation.

FRB. The Board of Governors of the Federal Reserve System.

FOFR. The Florida Office of Financial Regulation.

GAAP. Generally accepted accounting principles consistently applied during the periods involved.

Governmental Entity. Any court, administrative agency or commission or other governmental authority or instrumentality.

Hazardous Materials. Any chemicals, pollutants, contaminants, wastes, toxic substances, petroleum or other regulated substances or materials.

Intellectual Property. (i) trademarks, service marks, trade names, Internet domain names, designs, logos, slogans, and general intangibles of like nature, together with all goodwill, registrations and applications related to the foregoing; (ii) patents and industrial designs (including any continuations, divisionals, continuations-in-part, renewals, reissues, and applications for any of the foregoing); (iii) copyrights (including any registrations and applications for any of the foregoing); (iv) Software; and (v) technology, trade secrets and other confidential information, know-how, proprietary processes, formulae, algorithms, models, and methodologies.

IRS. The Internal Revenue Service.

Knowledge or aware. Any term of similar import means, (i) with respect to SCB and Southwest, the actual knowledge of each director and executive officer of SCB, Southwest or any Subsidiary, and (ii) with respect to Stonegate, the actual knowledge of each director and executive officer of Stonegate.

Loan Property. Any property in which Southwest holds a security interest, and, where required by the context, such term means the owner or operator of such property.

Material Adverse Effect. With respect to SCB, Southwest or Stonegate, as the case may be, a material adverse effect on (i) the business, results of operations or financial condition of such party and its Subsidiaries taken as a whole, other than any such effect attributable to or resulting from (t) any change in banking or similar laws, rules or regulations of general applicability or interpretations thereof by courts or governmental authorities, (u) any change in GAAP or regulatory accounting principles applicable to banks, thrifts or their holding companies generally, (v) any action or omission of the parties taken with the prior written consent of the other parties hereto, (w) any events, conditions or trends in business or financial conditions affecting the banking industry, (x) any change or development in financial or securities markets or the economy in general, including changes in interest rates, (y) the announcement or execution of this Agreement, including any impact on relationships with customers or employees, or (z) charges and expenses contemplated in connection with the Merger and not otherwise in violation of this Agreement, including those related to employment contracts and severance payments; legal, accounting and investment banking fees; data processing conversion costs; and accounting changes or charges taken pursuant to Section 7.6 or (ii) the ability of the parties to consummate the transactions contemplated hereby.

Merger Consideration. The aggregate number of shares of Stonegate Common Stock issuable upon conversion of the Southwest Common Stock at the Effective Time and to be distributed in exchange for each share of the SCB Common Stock immediately after the Effective Time, plus the cash if any, which may become payable or issuable pursuant to the Contingent Payment Obligation, as provided herein.

Net Asset Value. Southwest's total tangible equity capital as of July 31, 2010, plus

- (i) the value of any assets that are downstreamed from SCB to Southwest;
- (ii) the fair market value of tax loss carryforwards; and
- (iii) the balance of Southwest's allowance for loan and lease losses.

minus

- (i) the calculated fair market value discount of Southwest's loan portfolio;
- (ii) the calculated fair market value write-down of Southwest's real property and other assets;
- (iii) the Contingent Payment Settlement Account;
- (iv) the amount of any write-down or loss on the sale of Southwest's other real estate owned;
- (v) the amount of any write-off of any furniture, fixtures and equipment not transferable to Stonegate at book value at closing;
- (vi) the balance of prepaid expenses not transferred to Stonegate;
- (vii) the amount of any payment or accrual of amounts necessary to settle all employment and other material contracts not transferred to Stonegate;
- and (viii) the amount of any payment or accrual of deal expenses, including, but not limited to, any payments or reimbursements to Stonegate for costs related to determination of the Purchase Price;

and plus or minus, as the case may be,

- (i) Southwest's operating income or loss from July 31, 2010 through the Effective Time, and
- (ii) any gain or loss on sale of securities by Southwest.

NBA. The National Banking Act, as amended.

OCC. The Office of the Comptroller of the Currency.

OCC Consent. The consent of the OCC necessary to consummate the Merger.

OTCBB. The Over-the-Counter Bulletin Board.

Participation Facility. Any facility in which Southwest or its Subsidiaries participates in the management and, where required by the context, such term means the owner or operator of such facility.

Per Share Merger Consideration. The number of shares of Stonegate Common Stock issuable for each share of Southwest Common Stock, which shall equal the Exchange Ratio, plus the cash, if any, which may become payable or issuable for each share of Southwest

Common Stock pursuant to the Contingent Payment Obligation, as provided herein. The shares of Stonegate Common Stock issued at the Effective Time will be distributed to the SCB stockholders immediately after the Effective Time.

Person. An individual, partnership (general or limited), corporation, joint venture, business trust, limited liability company, cooperative association or other form of business organization, trust, estate or any other entity.

Purchase Price. Equals \$9,360,000.

Regulatory Agencies. The FOFR, OCC, the FRB, the FDIC and any other regulatory authority or applicable self-regulatory organization with jurisdiction over the Merger.

Rights. Subscriptions, options, warrants, calls, commitments or agreements of any character to purchase capital stock.

SEC. The Securities and Exchange Commission.

SCB Common Stock. The common stock, par value \$0.01 per share, of SCB.

Software. Computer programs, whether in source code or object code form (including any and all software implementation of algorithms, models and methodologies), databases and compilations (including any and all data and collections of data), and all documentation (including user manuals and training materials) related to the foregoing.

Southwest Common Stock. The common stock, par value \$5.00 per share, of Southwest.

Southwest Stock Certificate. A certificate, which previous to the Merger represented any shares of Southwest Common Stock.

Stonegate Common Stock. The common stock, par value \$5.00 per share, of Stonegate.

Subsidiary. Any corporation, partnership or other organization, whether incorporated or unincorporated, which is consolidated with a party for financial reporting purposes.

Superior Proposal. With respect to Southwest, any written Acquisition Proposal made by a person other than Stonegate which is for (i) (a) a merger, reorganization, consolidation, share exchange, business combination, recapitalization or similar transaction involving Southwest, (b) a sale, lease, exchange, transfer, or other disposition of at least 50% of the assets of Southwest, in a single transaction or a series of related transactions, or (c) the acquisition, directly or indirectly, by a person of beneficial ownership of 50% or more of Southwest Common Stock whether by merger, consolidation, share exchange, business combination, tender, or exchange offer or otherwise, and (ii) which is otherwise on terms which the Board of Directors of Southwest in good faith concludes (after consultation with its financial advisors and outside counsel) would, if consummated, result in a transaction that is more

favorable to its shareholders (in their capacities as stockholders), from a financial point of view, than the transactions contemplated by this Agreement (a) is reasonably capable of being completed, and (b) that if not accepted by Southwest's Board of Directors, could result in a breach of the fiduciary duties of the Southwest Board of Directors.

Surviving Corporation. The surviving corporation to the Merger, which shall be Stonegate.

Taxes. Taxes shall mean all taxes, charges, fees, levies, penalties or other assessments imposed by any United States federal, state, local or foreign taxing authority, including, but not limited to income, excise, property, sales, transfer, franchise, payroll, withholding, social security or other taxes, including any interest, penalties or additions attributable thereto.

Tax Return. Any return, report, information return or other document (including any related or supporting information) with respect to Taxes.

Trust Account Shares. Shares of Southwest Common Stock or Stonegate Common Stock held directly or indirectly in trust accounts, managed accounts and the like or otherwise held in a fiduciary capacity for the benefit of third parties.

1.2 Terms Defined Elsewhere. The capitalized terms set forth below are defined in the following sections:

"Agreement"	Preamble
"Benefit Agreements"	Section 7.6(b)
"Stonegate"	Preamble
"Stonegate Financial Statements"	Section 5.7
"Closing"	Section 10.1
"Closing Date"	Section 10.1
"Contingent Payment Obligation"	Section 2.4(b)
"ERISA Affiliate"	Section 4.17(a)
"Injunction"	Section 8.1(c)
"Loans"	Section 4.24(a)
"Merger"	Recitals
"SCB"	Preamble
"Southwest Contract"	Section 4.19(a)
"Southwest Disclosure Schedule"	Section 3.1
"Southwest Financial Statements"	Section 4.8
"Plans"	Section 4.17(a)
"Regulatory Agreement"	Section 4.20
"Representatives"	Section 7.3(a)
"Requisite Regulatory Approvals"	Section 8.1(b)
"State Banking Approvals"	Section 4.4

1.3 Interpretation. When a reference is made in this Agreement to Sections, Exhibits or Schedules, such reference shall be to a Section of or Exhibit or Schedule to this Agreement

unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation". The phrases "the date hereof" and terms of similar import, unless the context otherwise requires, shall be deemed to refer to the date of this Agreement. No provision of this Agreement shall be construed to require Southwest, Stonegate or any of their respective Affiliates to take any action that would violate any applicable law (including common law), rule or regulation.

ARTICLE II

PLAN OF MERGER

2.1 The Merger. Subject to the terms and conditions of this Agreement, in accordance with the FBA and NBA, at the Effective Time, Southwest shall merge with and into Stonegate. Stonegate shall be the Surviving Corporation, and shall continue its corporate existence under the laws of the State of Florida. The name of the Surviving Corporation shall continue to be "Stonegate Bank." Upon consummation of the Merger, the separate existence of Southwest as a national banking association shall terminate.

2.2 Effective Time and Effects of the Merger.

(a) Subject to the provisions of this Agreement, on the Closing Date, the Articles of Merger shall be duly prepared, executed and delivered for filing with the Secretary of State of the State of Florida and applicable Regulatory Agencies. The Merger shall become effective at the Effective Time. At and after the Effective Time, the Merger shall have the effects set forth in the FBA and the NBA.

(b) At the Effective Time, the separate existence of Southwest shall cease, and Stonegate, as the Surviving Corporation, shall thereupon and thereafter possess all of the assets, rights, privileges, appointments, powers, licenses, permits and franchises of the two merged corporations, whether of a public or a private nature, and shall be subject to all of the liabilities, restrictions, disabilities and duties of Southwest.

2.3 Purchase Price; Conversion of Southwest Common Stock; Distribution in Exchange for SCB Common Stock.

(a) At the Effective Time, each share of Southwest Common Stock issued and outstanding immediately prior to the Effective Time (other than shares of Southwest Common Stock held directly or indirectly by Southwest, Stonegate or any of Stonegate's Subsidiaries) shall, by virtue of this Agreement and without any action on the part of the holder thereof, be converted into and exchangeable for the right to receive, the Per Share Merger Consideration.

(b) Immediately after the Effective Time, the Merger Consideration (including, without limitation, the right to receive the Contingent SCB Obligation (as defined below) when and if earned) shall be distributed (the "Distribution") to SCB's shareholders as of the Effective Time (the "Closing SCB Shareholders") in accordance with their relative ownership

of SCB Common Stock provided to Stonegate by SCB at least five (5) business days prior to the Effective Time.

(c) All of the shares of SCB Common Stock and Southwest Common Stock converted into the shares of Stonegate Common Stock pursuant to this Article II shall no longer be outstanding and shall automatically be cancelled and shall cease to exist, and each holder of SCB Stock Certificates and Southwest Stock Certificates shall thereafter cease to have any other rights with respect to such securities.

(d) If, between the date hereof and the Effective Time, (i) the shares of Stonegate Common Stock shall be changed (or Stonegate establishes a record date for changing such shares which is prior to the Effective Time) into a different number or class of shares by reason of any reclassification, recapitalization, split-up, combination, exchange of shares or readjustment, (ii) a stock dividend shall be declared (or Stonegate establishes a record date for such dividend which is prior to the Effective Time) in respect of Stonegate Common Stock, or (iii) any distribution is made (or Stonegate establishes a record date for such distribution which is prior to the Effective Time) in respect of Stonegate Common Stock other than a regular quarterly cash dividend consistent with past practice, proportionate adjustments shall be made to the Per Share Merger Consideration.

(e) At the Effective Time, all shares of SCB Common Stock and Southwest Common Stock that are owned directly or indirectly by SCB, Southwest, Stonegate or any of Stonegate's Subsidiaries shall be cancelled and shall cease to exist and no stock of Stonegate, cash or other consideration shall be delivered in exchange therefor.

2.4 Contingent Payment Settlement Account.

(a) A Contingent Payment Settlement Account (the "Contingent Payment Settlement Account") will be established for a three (3) year period after the Closing Date (the "Settlement Account Term") that will serve as Southwest's contribution to a loss-sharing arrangement with Stonegate. During the Settlement Account Term, any decrease in the fair market value of the outstanding assets of Southwest, as initially determined on the Closing Date, from the Closing Date to the expiration of the Settlement Account Term (the "Asset Pool"), will reduce, in addition to legal fees, real estate taxes and other expenses directly related to the Asset Pool, the balance in the Contingent Payment Settlement Account on a dollar-for-dollar basis; provided, however, that any realized gains from the sale of any loans or other real estate owned from the Asset Pool will result in an increase in the balance of the Contingent Settlement Payment Account. The initial balance of the Contingent Payment Settlement Account will be \$2.8 million. Stonegate will provide an accounting to the Closing SCB Shareholders on each of the first two anniversaries of the Closing Date, which accounting shall reflect any decrease in the value of the Asset Pool on such anniversary date.

(b) During the Settlement Account Term, Stonegate shall be entitled to draw upon the Contingent Payment Settlement Account to compensate for any decrease in the value of the Asset Pool, in addition to legal fees, real estate taxes and other expenses directly related to the Asset Pool. At the end of the Settlement Account Term, Stonegate will pay, within sixty (60) days, the remaining balance of the Contingent Payment Settlement Account (the "Contingent

Payment Obligation"), which in no event shall exceed \$2.8 million, in cash to the Closing SCB Shareholders in accordance with the Distribution.

2.5 Stonegate Common Stock. The shares of Stonegate Common Stock issued and outstanding immediately prior to the Effective Time shall be unaffected by the Merger and such shares shall remain issued and outstanding.

2.6 Articles of Incorporation and Bylaws. At the Effective Time, the Articles of Incorporation of Stonegate, as in effect immediately prior to the Effective Time, shall be the Articles of Incorporation of the Surviving Corporation. At the Effective Time, the Bylaws of Stonegate, as in effect immediately prior to the Effective Time, shall be the Bylaws of the Surviving Corporation until thereafter amended in accordance with applicable law.

2.7 Directors and Executive Officers. At and after the Effective Time, the directors of Stonegate shall consist of all of the directors of Stonegate serving immediately prior to the Effective Time and one (1) additional person who shall become a director of Stonegate in accordance with Section 7.8 hereof, each to hold office in accordance with the Articles of Incorporation and Bylaws of the Surviving Corporation until their respective successors are duly elected or appointed and qualified. The executive officers of Stonegate immediately prior to the Effective Time shall be the executive officers of the Surviving Corporation, each to hold office in accordance with the Articles of Incorporation and Bylaws of the Surviving Corporation until their respective successors are duly elected or appointed and qualified.

2.8 Stock Options. Each option granted by SCB under any option plan (whether vested or unvested) (each a "SCB Stock Option" and together the "SCB Stock Options"), which remains outstanding and unexercised at the Effective Time shall be terminated and will not represent an option to purchase shares of Stonegate Common Stock at the Effective Time or at any time thereafter.

2.9 Voting Agreements. As a material inducement for Stonegate entering into this Agreement, simultaneously with the execution of this Agreement by the parties to this Agreement, each director and certain stockholders of SCB and Southwest shall enter into a Voting Agreement the form of which is attached hereto as Exhibit A and which shall become effective on the date hereof.

ARTICLE III

DISCLOSURE SCHEDULES; STANDARDS FOR REPRESENTATIONS AND WARRANTIES

3.1 Disclosure Schedules. Prior to the execution and delivery of this Agreement, SCB and Southwest have delivered to Stonegate, and Stonegate has delivered to SCB and Southwest, a disclosure schedule (in the case of SCB and Southwest, the "Southwest Disclosure Schedule," and in the case of Stonegate, the "Stonegate Disclosure Schedule") setting forth, among other things, items the disclosure of which is necessary or appropriate either in response to an express disclosure requirement contained in a provision hereof or as an exception to one or more of such party's representations or warranties contained in Article IV, in the case of SCB

and Southwest, or Article V, in the case of Stonegate, or to one or more of such party's covenants contained in Article VI (it being understood and agreed that (if an item is properly set forth in one Southwest Disclosure Schedule, it shall be deemed to be set forth in any other relevant Southwest Disclosure Schedule), provided, however, that notwithstanding anything in this Agreement to the contrary (a) no such item is required to be set forth in the Southwest Disclosure Schedule or Stonegate Disclosure Schedule as an exception to a representation or warranty if its absence would not result in the related representation or warranty being deemed untrue or incorrect under the standard established by Section 3.2, and (b) the mere inclusion of an item in a Southwest Disclosure Schedule or Stonegate Disclosure as an exception to a representation or warranty shall not be deemed an admission by a party that such item represents a material exception or material fact, event or circumstance or that such item has had or would have a Material Adverse Effect.

3.2 Standards. No representation or warranty of SCB or Southwest contained in Article IV or of Stonegate contained in Article V shall be deemed untrue or incorrect for any purpose under this Agreement, and no party hereto shall be deemed to have breached a representation or warranty for any purpose under this Agreement, in any case as a consequence of the existence or absence of any fact, circumstance or event unless such fact, circumstance or event, individually or when taken together with all other facts, circumstances or events inconsistent with any representations or warranties contained in Article IV, in the case of SCB or Southwest, or Article V, in the case of Stonegate, has had or would have a Material Adverse Effect with respect to SCB, Southwest or Stonegate, respectively.

3.3 Subsidiaries. Where the context permits, "Stonegate" shall refer to Stonegate and each of its Subsidiaries, "SCB" shall refer to SCB and each of its Subsidiaries and "Southwest" shall refer to Southwest and each of its Subsidiaries.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF SCB AND SOUTHWEST

Subject to Article III, SCB and Southwest hereby jointly and severally represent and warrant to Stonegate as follows:

4.1 Corporate Organization.

(a) SCB is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida and duly registered as a bank holding company under the BHC Act. Southwest is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America. Southwest has the corporate power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted, holds properties and assets only of the types permitted by the laws of the United States of America and is duly licensed or qualified to do business in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary. The Articles of Incorporation and Bylaws of SCB and Southwest, copies of which have previously been made available to Stonegate, are true and correct copies of such documents as in effect as of the date

hereof. The deposit accounts of Southwest are insured by the FDIC through the Bank Insurance Fund to the fullest extent permitted by law, and all premiums and assessments required in connection therewith have been paid when due.

(b) Each Subsidiary of SCB and Southwest is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization. Each Subsidiary of SCB and Southwest has the corporate power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted, and is duly licensed or qualified to do business in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary.

(c) SCB and Southwest have no, and since December 31, 2009, SCB and Southwest have not had any, Subsidiaries other than those listed in Section 4.1(c) of the Southwest Disclosure Schedule, all of which are 100% owned. Southwest neither owns nor controls, directly or indirectly 5% or more of the outstanding equity securities, either directly or indirectly, of any Person.

(d) The minute books of SCB and Southwest contain true and correct records of all meetings and other corporate actions held or taken since December 31, 2009 of its stockholders and Board of Directors (including committees of the Board of Directors). SCB and Southwest have provided to Stonegate true, correct and complete copies of the charter documents of SCB and Southwest and each SCB and Southwest subsidiary.

4.2 Capitalization of SCB and Southwest.

(a) The authorized capital stock of SCB consists of 50,000,000 shares of common stock, par value \$0.01 per share and 10,000,000 shares of preferred stock, par value \$0.01 per share. As of the date hereof, there are (i) 3,000,000 shares of SCB Common Stock issued and outstanding, and (ii) zero shares of SCB Common Stock held by SCB as treasury stock. As of the date hereof, there are (i) zero shares of SCB preferred stock issued and outstanding, and (ii) zero shares of SCB preferred stock held by SCB as treasury stock. Section 4.2(a) of the Southwest Disclosure Schedule sets forth a list of each holder of capital stock of SCB and the amount of such capital stock held by such person.

(b) The authorized capital stock of Southwest consists of 5,000,000 shares of common stock, par value \$5.00 per share. As of the date hereof, there are (1) 2,100,000 shares of Southwest Common Stock issued and outstanding, all of which is owned by SCB, and (2) zero shares of Southwest Common Stock held by Southwest as treasury stock.

(c) Except as set forth on Section 4.2(c) of the Southwest Disclosure Schedule, as of the date hereof, there were no shares of either SCB or Southwest Common Stock reserved for issuance for any reason or purpose. All of the issued and outstanding shares of SCB and Southwest Common Stock have been duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof.

(d) Except as set forth on Section 4.2(d) of the Southwest Disclosure Schedule, neither SCB nor Southwest has, nor is bound by, any outstanding Rights calling for the purchase or issuance of any shares of SCB or Southwest Common Stock or any other equity security of SCB or Southwest or any securities representing the right to purchase or otherwise receive any shares of SCB Common Stock or Southwest Common Stock or any other equity security of SCB or Southwest.

4.3 Authority. SCB and Southwest have full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly approved by the Board of Directors of SCB and Southwest. The Boards of Directors of SCB and Southwest have directed that this Agreement and the transactions contemplated hereby be submitted to SCB and Southwest's stockholders for approval at meetings of such stockholders and, except for the adoption of this Agreement by the requisite vote of SCB and Southwest's stockholders, no other corporate proceedings on the part of SCB or Southwest are necessary to approve this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by SCB and Southwest and (assuming due authorization, execution and delivery by Stonegate) this Agreement constitutes a valid and binding obligation of SCB and Southwest, and, to SCB and Southwest's Knowledge, is enforceable against SCB and Southwest in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of law or a court of equity and by bankruptcy, insolvency and similar laws affecting creditors' rights and remedies generally.

4.4 Consents and Approvals. Except for (a) the approval of this Agreement by the requisite vote of the stockholders of SCB and Southwest, respectively, (b) the filing of applications and notices, as applicable, with applicable Regulatory Agencies, and approval of such applications and notices, (c) the filing of such applications, filings, authorizations, orders and approvals as may be required under applicable state law (the "State Banking Approvals") and (d) any consents or approvals listed in Section 4.4 of the Southwest Disclosure Schedule, no consents or approvals of or filings or registrations with any Governmental Entity or with any third party are required to be made by SCB or Southwest in connection with (1) the execution and delivery by SCB and Southwest of this Agreement or (2) the consummation by SCB and Southwest of the Merger and the other transactions contemplated hereby.

4.5 No Violations. Except as may be set forth in Section 4.5 of the Southwest Disclosure Schedule, neither the execution and delivery of this Agreement by SCB or Southwest, nor the consummation by SCB or Southwest of the transactions contemplated hereby, nor compliance by SCB or Southwest with any of the terms or provisions hereof, will (i) violate any provision of the Articles of Incorporation or Bylaws of SCB or Southwest, respectively, or (ii) assuming that the consents and approvals referred to in Section 4.4 hereof are duly obtained, (x) violate any statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to SCB or Southwest or any of its properties or assets, or (y) violate, conflict with, result in a breach of any provision of or the loss of any benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any lien, pledge, security interest, charge or other

encumbrance upon any of the properties or assets of SCB or Southwest under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which SCB or Southwest is a party, or by which it or its properties or assets may be bound or affected.

4.6 Licenses, Franchises and Permits. Southwest and each Southwest Subsidiary holds all licenses, franchises, permits and authorizations necessary for the lawful conduct of their respective businesses, except where the failure to hold such licenses, franchises, permits and authorizations would not reasonably be expected to have a Material Adverse Effect. All of such licenses, franchises, permits and authorizations are in full force and effect and are transferable to a successor to Southwest or any Southwest Subsidiary in connection with or subsequent to the Closing of the transactions contemplated herein without any Consent, other than the State Banking Approvals, subject to the legal right and authority of such successor to engage in the activities licensed, franchised, permitted or authorized thereby and except where the failure of such licenses, franchises, permits and authorizations to be in full force and effect and transferable to a successor to Southwest or a Southwest Subsidiary would not reasonably be expected to have a Material Adverse Effect. Neither Southwest nor any Southwest Subsidiary has not received notice of any Proceeding for the suspension or revocation of any such license, franchise, permit, or authorization and no such Proceeding is pending or, to Southwest's Knowledge, has been threatened by any Governmental Authority.

4.7 Regulatory Reports. Southwest has timely filed all reports, registrations and statements, together with any amendments required to be made with respect thereto, that it was required to file since December 31, 2006 with the Regulatory Agencies and has paid all fees and assessments due and payable in connection therewith. Except for normal examinations conducted by a Regulatory Agency in the regular course of the business of Southwest, no Regulatory Agency has initiated any proceeding or, to the Knowledge of SCB or Southwest, investigation into the business or operations of Southwest since December 31, 2006. There is no unresolved violation or exception by any Regulatory Agency with respect to any report or statement relating to any examinations of Southwest.

4.8 Financial Statements. Southwest has previously made available to Stonegate (i) copies of the balance sheets of Southwest and SCB, on a consolidated basis, as of December 31 for the fiscal years 2009 and 2008, and the related statements of earnings, stockholders' equity and cash flows for the fiscal years 2007 through 2009, inclusive, accompanied by the audit reports of Crowe Horwath LLP, independent public accountants with respect to Southwest and SCB, and (ii) copies of unaudited balance sheets and the related statements of earnings and stockholders' equity of Southwest and SCB, on a consolidated basis, at and for the six months ended June 30, 2010 and at and for the month ended July 31, 2010 (collectively, the "Southwest Financial Statements"). Subject, in the case of the unaudited statements, to audit adjustments reasonable in nature and amount, the Southwest Financial Statements fairly present the financial position of Southwest and SCB, on a consolidated basis, as of the dates indicated therein. Subject, in the case of the unaudited statements, to audit adjustments reasonable in nature and amount, each of the Southwest Financial Statements (including the related notes, where applicable) complies with applicable accounting requirements; and each of such statements (including the related notes, where applicable) has been prepared in accordance with GAAP, except as indicated in the notes thereto. The books and records of Southwest and SCB have

been, and are being, maintained in accordance with GAAP and any other applicable legal and accounting requirements.

4.9 Deposits. Except as previously disclosed to Stonegate, none of the Southwest's deposits (consisting of certificates of deposit, savings accounts, NOW accounts, money market accounts and checking accounts) is a brokered deposit.

4.10 Broker's Fees. Other than SunTrust Robinson Humphrey, Inc., neither SCB nor Southwest nor any of their respective officers or directors has employed any broker or finder or incurred any liability for any broker's fees, commissions or finder's fees in connection with any of the transactions contemplated by this Agreement.

4.11 Properties. Section 4.11 of the Southwest Disclosure Schedule contains a true and complete list of all material real property owned or leased by Southwest (the "Southwest Real Estate"). Except as adequately reserved against in the Southwest Financial Statements or disposed of since December 31, 2009 in the ordinary course of business, Southwest and each Southwest Subsidiary has good and marketable title, free and clear of all material liens, encumbrances, charges, defaults, or equities of whatever character to all of the material properties and assets, real or personal, reflected in the Southwest Financial Statements as being owned by Southwest or any Southwest Subsidiary as of the dates thereof. All buildings, and all fixtures, equipment, and other property and assets that are material to the business of Southwest and the Southwest Subsidiaries on a consolidated basis, held under leases or subleases by Southwest or any Southwest Subsidiary, are held under valid instruments enforceable in accordance with their respective terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or other laws affecting the enforcement of creditors' rights generally, or by equitable principles), and neither Southwest nor any Southwest Subsidiary nor, to Southwest's Knowledge, any other party thereto is in material breach or material default thereunder.

4.12 Intellectual Property. Section 4.12 of the Southwest Disclosure Schedule contains a true and complete list of all material Southwest Intellectual Property. Either Southwest or one of the Southwest Subsidiaries own or have a valid license to use all Southwest Intellectual Property, free and clear of all liens, encumbrances, royalty or other payment obligations (except for royalties or payments with respect to off-the-shelf Software at standard commercial rates). Southwest Intellectual Property constitutes all of the Intellectual Property necessary to carry on the business of Southwest and the Southwest Subsidiaries as currently conducted, except where the failure to have such property would not reasonably be expected to have a Material Adverse Effect. The Southwest Intellectual Property is valid and has not been cancelled, forfeited, expired or abandoned, and neither Southwest nor any Southwest Subsidiary has received any notice challenging the validity or enforceability of Southwest Intellectual Property, other than as would not reasonably be expected to have a Material Adverse Effect. To SCB and Southwest's Knowledge, the conduct of the business of Southwest and the Southwest Subsidiaries does not violate, misappropriate or infringe upon the Intellectual Property rights of any third Person. The consummation of the transactions contemplated by this Agreement will not result in the material loss or material impairment of the right of Southwest or any Southwest Subsidiary to own or use any of the Southwest Intellectual Property, and the Surviving Corporation and its Subsidiaries will have substantially the same rights to own or use the Southwest Intellectual Property

following the consummation of such transactions as Southwest and the Southwest Subsidiaries had prior to the consummation of such transactions, except such rights as would not reasonably be expected to have a Material Adverse Effect.

4.13 Condition of Fixed Assets and Equipment. Section 4.13 of the Southwest Disclosure Schedule contains a list of all material fixed assets and equipment used in the conduct of the business of Southwest and the Southwest Subsidiaries as of June 30, 2010. Each such item of fixed assets and equipment having a net book value in excess of \$25,000 is, to SCB and Southwest's Knowledge, in good operating condition and repair, normal wear and tear excepted.

4.14 Absence of Certain Changes or Events.

(a) Except as disclosed in any Southwest filings with the OCC prior to the date hereof, since December 31, 2009, (i) there has been no change or development or combination of changes or developments which, individually or in the aggregate, has had a Material Adverse Effect on Southwest, and (ii) Southwest has carried on its business in the ordinary course of business consistent with past practices.

(b) Except as may be set forth in Section 4.14(b) of the Southwest Disclosure Schedule, since December 31, 2009 and solely with respect to executive officers (senior vice president or above) and directors, Southwest has not (1) increased the wages, salaries, compensation, pension, or other fringe benefits or perquisites payable to any such person from the amount thereof in effect as of December 31, 2009, (2) granted any severance or termination pay to such person or entered into any contract to make or grant any severance or termination pay to such person, (3) paid any bonus to such person or (4) entered into any employment- or compensation-related agreement with such person.

4.15 Legal Proceedings. Except as may be set forth in Section 4.15 of the Southwest Disclosure Schedule, (a) Southwest is not a party to any, and there are no pending or, to SCB or Southwest's Knowledge, threatened, legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations of any nature against Southwest or challenging the validity or propriety of the transactions contemplated by this Agreement and (b) there is no injunction, order, judgment or decree imposed upon Southwest or its assets.

4.16 Taxes.

(a) Except as may be set forth in Section 4.16 of the Southwest Disclosure Schedule, Southwest has (i) duly and timely filed (including applicable extensions granted without penalty) all material Tax Returns required to be filed at or prior to the Effective Time, and all such Tax Returns are true and correct, and (ii) paid in full or made adequate provision in the financial statements of Southwest (in accordance with GAAP) for all material Taxes shown to be due on such Tax Returns. Except as set forth in Section 4.16 of the Southwest Disclosure Schedule, (i) as of the date hereof Southwest has not requested any extension of time within which to file any Tax Returns in respect of any fiscal year which have not since been filed and no request for waivers of the time to assess any Taxes are pending or outstanding, and (ii) as of the date hereof, with respect to each taxable period of Southwest, the federal and state income Tax Returns of Southwest have not been audited by the IRS or appropriate state tax authorities.

(b) Neither Southwest nor any of the Southwest Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any required change in the method of tax accounting for Southwest and/or the Southwest Subsidiaries as a result of the Merger.

(c) Except as may be set forth in Section 4.16 of the Southwest Disclosure Schedule, Southwest has complied (and until the Closing Date will comply) in all material respects with the provisions of the Code relating to the withholding and payment of Taxes, including, without limitation, the withholding and reporting requirements under Code sections 1441 through 1446, 3401 through 3406, and 6041 through 6049, as well as similar provisions under any other state, local or foreign laws, and have, within the time and in the manner prescribed by law, withheld from employee wages and paid over to the proper taxing authorities all amounts required. Southwest has under taken in good faith to appropriately classify all service providers as either employees or independent contractors for all Tax purposes.

(d) Southwest has disclosed to the Internal Revenue Service on the appropriate Tax Returns any Reportable Transaction in which it has participated. Southwest has retained all documents and other records pertaining to any Reportable Transaction in which it has participated, including documents and other records listed in Treasury Regulation Section 1.6011-4(g) and any other documents or other records which are related to any Reportable Transaction in which it has participated but not listed in Treasury Regulation Section 1.6011-4(g). For purposes of this Agreement, the term "Reportable Transaction" shall mean any transaction listed in Treasury Regulation Section 1.6011-4(b).

4.17 Employees.

(a) Section 4.17(a) of the Southwest Disclosure Schedule sets forth a true and correct list of each deferred compensation plan, incentive compensation plan or equity compensation plan; "welfare" plan, fund or program (within the meaning of section 3(1) of ERISA); "pension" plan, fund or program (within the meaning of section 3(2) of ERISA); each employment, termination or severance agreement; and each other employee benefit plan, fund, program, agreement or arrangement, in each case, that is sponsored, maintained or contributed to or required to be contributed to by Southwest, any of the Southwest Subsidiaries or by any trade or business, whether or not incorporated (an "ERISA Affiliate"), all of which together with Southwest would be deemed a "single employer" within the meaning of Section 4001 of ERISA, for the benefit of any employee or former employee of Southwest, any Southwest Subsidiary or any ERISA Affiliate (the "Plans").

(b) Southwest has heretofore made available to Stonegate with respect to each of the Plans true and correct copies of each of the following documents, if applicable: (i) the Plan document for such Plan; (ii) the actuarial reports for such Plan for the last two years, (iii) the most recent determination letter from the IRS for such Plan and (iv) the most recent summary plan description and related summaries of material modifications for such Plan.

(c) Except as may be set forth in Section 4.17(c) of the Southwest Disclosure Schedule: each of the Plans is in material compliance with the applicable provisions of the Code

and ERISA; each of the Plans intended to be "qualified" within the meaning of section 401(a) of the Code has received a favorable determination letter from the IRS (or a favorable opinion letter has been issued by the IRS to the prototype sponsor of the Plan upon which Southwest is entitled to rely); no Plan is subject to Title IV of ERISA; no Plan is a multiemployer plan within the meaning of section 4001(a)(3) of ERISA and no Plan is a multiple employer plan as defined in Section 413 of the Code; and there are no pending, or to the Knowledge of SCB or Southwest, threatened or anticipated claims (other than routine claims for benefits) by, on behalf of or against any of the Plans or any trusts related thereto.

(d) Except as may be set forth in Section 4.17(d) of the Southwest Disclosure Schedule, since December 31, 2009, Southwest has not (i) suffered any strike, work stoppage, slow-down, or other labor disturbance; (ii) been a party to a collective bargaining agreement, contract or other agreement or understanding with a labor union or organization; or (iii) to the Knowledge of SCB and Southwest, had any union organizing activities.

(e) Section 4.17(e) of the Southwest Disclosure Schedule sets forth all employment contracts, plans, programs, agreements or other benefits which could be subject to Section 280G of the Code.

4.18 Intentionally Omitted.

4.19 Certain Contracts.

(a) Except as set forth in Section 4.19(a) of the Southwest Disclosure Schedule, Southwest is not a party to or bound by any contract (whether written or oral) (i) with respect to the employment of any directors, officers, employees or consultants, (ii) which, upon the consummation of the transactions contemplated by this Agreement, will (either alone or upon the occurrence of any additional acts or events) result in any payment or benefits (whether of severance pay or otherwise) becoming due, or the acceleration or vesting of any rights to any payment or benefits, from Stonegate, Southwest, the Surviving Corporation or any of their respective Subsidiaries to any officer, director, employee or consultant of Southwest, (iii) which is a material contract (as defined in Item 601(b)(10) of Regulation S-K of the SEC) to be performed after the date hereof, (iv) which is a consulting agreement (including data processing, software programming and licensing contracts) not terminable on 90 days or less notice involving the payment of more than \$25,000 per annum, or (v) which materially restricts the conduct of any line of business by Southwest. Each contract, arrangement, commitment or understanding of the type described in this Section 4.19(a), whether or not set forth in Section 4.19(a) of the Southwest Disclosure Schedule, is referred to herein as a "Southwest Contract." Southwest has previously delivered or made available to Stonegate true and correct copies of each contract, arrangement, commitment or understanding of the type described in this Section 4.19(a).

(b) Except as set forth in Section 4.19(b) of the Southwest Disclosure Schedule, (i) each Southwest Contract is valid and binding and in full force and effect, (ii) Southwest has performed all obligations required to be performed by it to date under each Southwest Contract, (iii) no event or condition exists which constitutes or, after notice or lapse of time or both, would constitute, a default on the part of Southwest under any Southwest Contract,

and (iv) no other party to any Southwest Contract is, to the Knowledge of SCB or Southwest, in default in any respect thereunder.

4.20 Agreements with Regulatory Agencies. Except as may be set forth in Section 4.20 of the Southwest Disclosure Schedule, Southwest is not subject to any cease-and-desist or other order issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any order or directive by, or is a recipient of any extraordinary supervisory letter from, or has adopted any board resolutions at the request of (each, whether or not set forth on Section 4.20 of the Southwest Disclosure Schedule, a "Regulatory Agreement"), any Regulatory Agency that restricts the conduct of its business or that in any manner relates to its capital adequacy, its credit policies, its management or its business, nor has Southwest been advised by any Regulatory Agency that it is considering issuing or requesting any Regulatory Agreement.

4.21 Environmental Matters. Except as may be set forth in Section 4.21 of the Southwest Disclosure Schedule:

(a) To the Knowledge of SCB and Southwest, each of the Participation Facilities and the Loan Properties, are in compliance with all Environmental Laws.

(b) To the Knowledge of SCB and Southwest, there is no suit, claim, action or proceeding pending or threatened before any Governmental Entity or other forum in which Southwest, any Participation Facility or any Loan Property, has been or, with respect to threatened proceedings, may be, named as a defendant (x) for alleged noncompliance (including by any predecessor) with any Environmental Laws, or (y) relating to the release, threatened release or exposure to any Hazardous Material whether or not occurring at or on a site owned, leased or operated by Southwest, any Participation Facility or any Loan Property.

(c) To the Knowledge of SCB and Southwest, during the period of (x) Southwest's ownership or operation of any of its current or former properties, (y) Southwest's participation in the management of any Participation Facility, or (z) Southwest's interest in a Loan Property, there has been no release of Hazardous Materials in, on, under or affecting any such property. To the Knowledge of SCB and Southwest, prior to the period of (x) Southwest's ownership or operation of any of its current or former properties, (y) Southwest's participation in the management of any Participation Facility, or (z) Southwest's interest in a Loan Property, there was no release of Hazardous Materials in, on, under or affecting any such property, Participation Facility or Loan Property.

4.22 Insurance. Section 4.22 of the Southwest Disclosure Schedule includes a complete list of all insurance policies (other than title insurance policies or insurance policies of which Southwest or any Southwest Subsidiary is a beneficiary incident to the making of individual loans) held by Southwest or any Southwest Subsidiary. There are no outstanding unresolved claims for losses under any such insurance policies. Southwest and the Southwest Subsidiaries have paid all amounts due and payable under any insurance policies and guaranties applicable to them and their assets and operations; all such insurance policies and guaranties are in full force and effect; and Southwest, the Southwest Subsidiaries and all of the Southwest Real Estate and other material properties of Southwest and the Southwest Subsidiaries are insured

against fire, casualty, theft, loss, and such other events against which it is customary to insure, all such insurance policies being in amounts that are adequate and are consistent with past practices and experience.

4.23 Approvals. As of the date hereof, SCB and Southwest know of no fact or condition relating to Southwest that would prevent all regulatory approvals required for the consummation of the transactions contemplated hereby (including, without limitation, the Merger) from being obtained.

4.24 Loan Portfolio.

(a) Except as may be set forth in Section 4.24(a) of the Southwest Disclosure Schedule, Southwest is not a party to any written or oral (i) loan agreement, note or borrowing arrangement (including, without limitation, leases, credit enhancements, commitments, guarantees or interest-bearing assets) (collectively, "Loans"), other than Loans the unpaid principal balance of which does not exceed \$25,000, under the terms of which the obligor was, as of June 30, 2010, over 90 days delinquent in payment of principal or interest or in default of any other provision, or (ii) Loan with any director, executive officer or 5% or greater stockholder of Southwest, or to the Knowledge of SCB or Southwest, any person, corporation or enterprise controlling, controlled by or under common control with any of the foregoing. Section 4.24(a) of the Southwest Disclosure Schedule sets forth (i) all of the Loans of Southwest that as of the most recent bank examination, were classified by any bank examiner (whether regulatory or internal) as "Other Loans Specially Mentioned," "Special Mention," "Substandard," "Doubtful," "Loss," "Classified," "Criticized," "Credit Risk Assets," "Concerned Loans," "Watch List" or words of similar import, together with the principal amount of and accrued and unpaid interest on each such Loan and the identity of the borrower thereunder, and (ii) each asset of Southwest that as of the most recent bank examination, was classified as "Other Real Estate Owned" and the book value thereof.

(b) Each Loan in original principal amount in excess of \$25,000 (i) is evidenced by notes, agreements or other evidences of indebtedness which are true, genuine and what they purport to be, (ii) to the extent secured, has been secured by valid liens and security interests which have been perfected and (iii) is the legal, valid and binding obligation of the obligor named therein, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance and other laws of general applicability relating to or affecting creditors' rights and to general equity principles.

4.25 Intentionally Omitted.

4.26 Sole Agreement. With the exception of this Agreement, neither SCB, Southwest, nor any of their Subsidiaries, is a party to any letter of intent or agreement to merge, to consolidate, to sell or purchase assets (other than in the normal course of its business) or, except as disclosed on Section 4.26 of the Southwest Disclosure Schedule, any other agreement which contemplates the involvement of Southwest or any Southwest Subsidiary (or any of their assets) in any business combination of any kind; or any agreement, contract, commitment, understanding or arrangement obligating SCB or Southwest or any of their Subsidiaries to issue or sell or authorize the sale or transfer of any shares of capital stock of Southwest or any

Southwest Subsidiary, except Southwest Stock Options. There are no contracts, agreements, understandings or commitments relating to the right of Southwest to vote or to dispose of any shares of capital stock of any Southwest Subsidiary.

4.27 Disclosure.

(a) The information concerning, and representations and warranties made by, SCB and Southwest set forth in this Agreement, or in the Southwest Disclosure Schedule, or in any document, statement, certificate or other writing furnished or to be furnished by or on behalf of Southwest or any Southwest Subsidiary to Stonegate pursuant hereto, do not and will not contain any untrue statement of a material fact or omit and will not omit to state a material fact required to be stated herein or therein which is necessary to make the statements and facts contained herein or therein, in light of the circumstances in which they were or are made, not false or misleading.

(b) Copies of all documents heretofore or hereafter delivered or made available to Stonegate by or on behalf of Southwest or any Southwest Subsidiary pursuant hereto were or will be complete and accurate copies of such documents.

4.28 Absence of Undisclosed Liabilities. To the knowledge of SCB and Southwest, neither Southwest nor any Southwest Subsidiary has any obligation or liability that is material to the financial condition or operations of any of them, or that, when combined with all similar obligations or liabilities, would be material to their financial condition or operations (i) except as disclosed in the Southwest Financial Statements delivered to Stonegate prior to the date of this Agreement, or (ii) except as contemplated under this Agreement. Except as disclosed on Section 4.28 of the Southwest Disclosure Schedule, since the December 31, 2009, neither Southwest nor any Southwest Subsidiary has incurred or paid any obligation or liability which would be material to the financial condition or operations of Southwest and its Subsidiaries, taken as a whole, except for obligations paid in connection with transactions made by them in the ordinary course of their business consistent with past practices and Applicable Law.

4.29 Allowance for Loan Losses.

(a) To the Knowledge of Southwest, the allowance for loan losses shown on the Southwest Financial Statements is adequate in all material respects to provide for anticipated losses inherent in loans outstanding.

(b) To the Knowledge of Southwest, the allowance for losses in real estate owned, if any, shown on the Southwest Financial Statements is or will be adequate in all material respects to provide for anticipated losses inherent in real estate owned by Southwest or any Southwest Subsidiary and the net book value of real estate owned as shown on the most recent balance sheet included in the Southwest Financial Statements is the fair value of the real estate owned in accordance with Statement of Position 92-3.

4.30 Compliance with Laws.

(a) To the Knowledge of Southwest, Southwest and each Southwest Subsidiary is in compliance with all Applicable Laws, reporting and licensing requirements, and

orders applicable to its business or employees (including, but not limited to, the Equal Credit Opportunity Act, the Fair Housing Act, the Community Reinvestment Act, the Home Mortgage Disclosure Act, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001, the Bank Secrecy Act, fair lending laws or other laws relating to discrimination, consumer disclosure and currency transaction reporting) the noncompliance, breach or violation of which would reasonably be expected to have a Material Adverse Effect, or which would reasonably be expected to subject Southwest or any other Southwest Subsidiary or any of their directors or officers to civil money penalties; and

(b) Except with respect to those that would not reasonably be expected to have a Material Adverse Effect on Southwest and its Subsidiaries, taken as a whole, neither Southwest nor any Southwest Subsidiary has received notification or communication from any Governmental Authorities, or the staff thereof (i) asserting that Southwest or any Southwest Subsidiary is not in compliance with any Applicable Law, (ii) threatening to revoke any Consent, license, franchise, permit, or governmental authorization, or (iii) requiring Southwest or any Southwest Subsidiary to enter into a cease and desist order, consent, agreement, memorandum of understanding or similar arrangement.

4.31 Material Contract Defaults. Neither Southwest nor any Southwest Subsidiary is in default under any contract, agreement, commitment, arrangement, lease, insurance policy, or other instrument to which it is a party or by which its respective assets, business, or operations may be bound or affected or under which it or its respective assets, business, or operations receives benefits, and which default would reasonably be expected to have either individually or in the aggregate a Material Adverse Effect, and there has not occurred any event that, with the lapse of time or the giving of notice or both, would constitute such a default.

4.32 Certain Regulatory Matters.

(a) Southwest is a national banking association, subject to regulation and supervision by the OCC.

(b) Southwest has not paid any dividends that (i) caused the regulatory capital of Southwest to be less than the amount then required by Applicable Law or (ii) exceeded any other limitation on the payment of dividends imposed by Applicable Law, agreement or regulatory policy.

(c) Southwest has adopted policies and procedures designed to promote overall compliance with the Bank Secrecy Act (31 U.S.C. Section 5311 et seq.), the Truth-in-Lending Act (15 U.S.C. Section 1601 et seq.), the Expedited Funds Availability Act (12 U.S.C. Section 4001 et seq.) and the regulations adopted under each such act and have materially complied with the reporting requirements under the Bank Secrecy Act and the regulations thereunder.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF STONEGATE

Subject to Article III, Stonegate hereby represents and warrants to SCB and Southwest as follows:

5.1 Corporate Organization. Stonegate is a Florida chartered commercial banking association duly organized, validly existing and in good standing under the laws of the State of Florida. Stonegate has the corporate power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted, and is duly licensed or qualified to do business in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary. The Articles of Incorporation and Bylaws of Stonegate, copies of which have previously been made available to SCB and Southwest, are true and correct copies of such documents as in effect as of the date hereof.

5.2 Capitalization. The authorized capital stock of Stonegate consists of 20,000,000 shares of common stock, par value \$5.00 per share. As of the date hereof, there are 7,708,785 shares of Stonegate Common Stock issued and outstanding. All of the issued and outstanding shares of Stonegate Common Stock have been duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. The shares of Stonegate Common Stock to be issued pursuant to the Merger will be duly authorized and validly issued and, at the Effective Time, all such shares will be fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof.

5.3 Authority. Stonegate has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly approved by the Board of Directors of Stonegate, and, except for the approval of this Agreement by the Board of Directors of Stonegate, no other corporate proceedings on the part of Stonegate are necessary to approve this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Stonegate and (assuming due authorization, execution and delivery by SCB and Southwest) this Agreement constitutes a valid and binding obligation of Stonegate, and, to Stonegate's Knowledge, is enforceable against Stonegate in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of law or a court of equity and by bankruptcy, insolvency and similar laws affecting creditors' rights and remedies generally.

5.4 Consents and Approvals. Except for (a) the filing of applications and notices, as applicable, with applicable Regulatory Agencies, and approval of such applications and notices, (b) the filing of the Articles of Merger with the Florida Secretary of State and applicable Regulatory Agencies, (c) the State Banking Approvals and (d) such filings and approvals as are required to be made or obtained under the securities or "Blue Sky" laws of various states in connection with the issuance of the shares of Stonegate Common Stock pursuant to this

Agreement, no consents or approvals of or filings or registrations with any Governmental Entity or with any third party are required to be made by Stonegate, SCB or Southwest in connection with (1) the execution and delivery by Stonegate, SCB or Southwest of this Agreement and (2) the consummation by Stonegate, SCB or Southwest of the Merger and the other transactions contemplated hereby.

5.5 No Violations. Neither the execution and delivery of this Agreement by Stonegate, nor the consummation by Stonegate of the transactions contemplated hereby, nor compliance by Stonegate with any of the terms or provisions hereof, will (i) violate any provision of the Articles of Incorporation or Bylaws of Stonegate, respectively, or (ii) assuming that the consents and approvals referred to in Section 5.4 hereof are duly obtained, (x) violate any statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to Stonegate or any of its properties or assets, or (y) violate, conflict with, result in a breach of any provision of or the loss of any benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any lien, pledge, security interest, charge or other encumbrance upon any of the properties or assets of Stonegate under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which Stonegate is a party, or by which it or its properties or assets may be bound or affected.

5.6 Regulatory Reports. Stonegate has timely filed all reports, registrations and statements, together with any amendments required to be made with respect thereto, that it was required to file since December 31, 2008 with the Regulatory Agencies and has paid all fees and assessments due and payable in connection therewith. Except as previously disclosed to Southwest and for normal examinations conducted by a Regulatory Agency in the regular course of the business of Stonegate, no Regulatory Agency has initiated any proceeding or, to the knowledge of Stonegate, investigation into the business or operations of Stonegate since December 31, 2008. Except as previously disclosed to SCB and Southwest, there is no unresolved violation or exception by any Regulatory Agency with respect to any report or statement relating to any examinations of Stonegate.

5.7 Financial Statements. Stonegate has previously made available to SCB and Southwest (1) copies of the consolidated balance sheets of Stonegate and its Subsidiaries as of December 31 for the fiscal years 2008 and 2009 and the related consolidated statements of income, changes in stockholders' equity and comprehensive income, and cash flows for the fiscal years 2007 through 2009, inclusive, accompanied by the audit report of McGladrey Pullen, LLP, independent public accountants with respect to Stonegate, and (2) copies of unaudited consolidated balance sheets and the related consolidated statements of earnings, stockholders' equity and cash flows of Stonegate at and for the six months ended June 30, 2010 and at and for the month ended July 31, 2010 (collectively, the "Stonegate Financial Statements"). Subject, in the case of the unaudited statements, to audit adjustments reasonable in nature and amount, the Stonegate Financial Statements fairly present the financial position of Stonegate as of the dates indicated therein. Subject, in the case of the unaudited statements, to audit adjustments reasonable in nature and amount, each of the Stonegate Financial Statements (including the related notes, where applicable) complies, with applicable accounting requirements; and each of

such statements (including the related notes, where applicable) has been prepared in accordance with GAAP, except as indicated in the notes thereto. The books and records of Stonegate have been, and are being, maintained in accordance with GAAP and any other applicable legal and accounting requirements.

5.8 Broker's Fees. Other than Burke Capital Group, a division of Morgan Keegan, Stonegate has not employed any broker or finder or incurred any liability for any broker's fees, commissions or finder's fees in connection with any of the transactions contemplated by this Agreement.

5.9 Absence of Certain Changes or Events. Except as disclosed in any Stonegate filings with the FOFR or the FDIC prior to the date hereof, since December 31, 2009, (i) there has been no change or development or combination of changes or developments which, individually or in the aggregate, has had a Material Adverse Effect on Stonegate and (ii) Stonegate has carried on its business in the ordinary course of business consistent with past practices.

5.10 Legal Proceedings.

(a) Except as disclosed in Section 5.10(a) of the Stonegate Disclosure Schedule, Stonegate is not a party to any and there are no pending or, to Stonegate's Knowledge, threatened, legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations (collectively, the "Proceedings") of any nature against Stonegate or challenging the validity or propriety of the transactions contemplated by this Agreement. None of the pending Proceedings of Stonegate or its Subsidiaries would reasonably be expected to have a Material Adverse Effect on Stonegate and its Subsidiaries, taken as a whole.

(b) There is no injunction, order, judgment or decree imposed upon Stonegate or the assets of Stonegate.

5.11 Agreements with Regulatory Agencies. Stonegate is not subject to any cease-and-desist or other order issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any order or directive by, or is a recipient of any extraordinary supervisory letter from, or has adopted any board resolutions at the request of (each, a "Stonegate Regulatory Agreement"), any Regulatory Agency that restricts the conduct of its business or that in any manner relates to its capital adequacy, its credit policies, its management or its business, nor has Stonegate been advised by any Regulatory Agency that it is considering issuing or requesting any Stonegate Regulatory Agreement.

5.12 Approvals. As of the date hereof, Stonegate knows of no fact or condition relating to Stonegate that would prevent all regulatory approvals required for the consummation of the transactions contemplated hereby (including, without limitation, the Merger) from being obtained.

5.13 Disclosure.

(a) The information concerning, and representations and warranties made by Stonegate set forth in this Agreement, or in the Stonegate Disclosure Schedule, or in any document, statement, certificate or other writing furnished or to be furnished by or on behalf of Stonegate or any Stonegate Subsidiary to SCB or Southwest pursuant hereto, do not and will not contain any untrue statement of a material fact or omit and will not omit to state a material fact required to be stated herein or therein which is necessary to make the statements and facts contained herein or therein, in light of the circumstances in which they were or are made, not false or misleading.

(b) Copies of all documents heretofore or hereafter delivered or made available to SCB and Southwest by or on behalf of Stonegate or any Stonegate Subsidiary pursuant hereto were or will be complete and accurate copies of such documents.

5.14 Absence of Undisclosed Liabilities. To the knowledge of Stonegate, neither Stonegate nor any Stonegate Subsidiary has any obligation or liability that is material to the financial condition or operations of any of them, or that, when combined with all similar obligations or liabilities, would be material to their financial condition or operations (i) except as disclosed in the Stonegate Financial Statements delivered to SCB and Southwest prior to the date of this Agreement, or (ii) except as contemplated under this Agreement. Since December 31, 2009, neither Stonegate nor any Stonegate Subsidiary has incurred or paid any obligation or liability which would be material to the financial condition or operations of Stonegate and its Subsidiaries, taken as a whole, except for obligations paid in connection with transactions made by them in the ordinary course of their business consistent with past practices and Applicable Law.

5.15 Compliance with Laws.

(a) Stonegate is in compliance with all Applicable Laws, reporting and licensing requirements, and orders applicable to its business or employees (including, but not limited to, the Equal Credit Opportunity Act, the Fair Housing Act, the Community Reinvestment Act, the Home Mortgage Disclosure Act, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001, the Bank Secrecy Act, fair lending laws or other laws relating to discrimination, consumer disclosure and currency transaction reporting) the noncompliance, breach or violation of which would reasonably be expected to have a Material Adverse Effect, or which would reasonably be expected to subject Stonegate or any of its Subsidiaries or any of their directors or officers to civil money penalties; and

(b) Except with respect to those that would not reasonably be expected to have a Material Adverse Effect on Stonegate, Stonegate has not received notification or communication from any Governmental Authorities, or the staff thereof (i) asserting that Stonegate is not in compliance with any Applicable Law, (ii) threatening to revoke any Consent, license, franchise, permit, or governmental authorization, or (iii) requiring Stonegate to enter into a cease and desist order, consent, agreement, memorandum of understanding or similar arrangement.

5.16 Ownership of Southwest Common Stock. Neither Stonegate nor any of its Affiliates or associates (as such term is defined under the Exchange Act) (i) beneficially owns, directly or indirectly, or (ii) is a party to any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of capital stock of Southwest.

5.17 Taxes. Stonegate has (i) duly and timely filed (including applicable extensions granted without penalty) all material Tax Returns required to be filed at or prior to the Effective Time, and all such Tax Returns are true and correct, and (ii) paid in full or made adequate provision in the financial statements of Stonegate (in accordance with GAAP) for all material Taxes shown to be due on such Tax Returns.

ARTICLE VI

COVENANTS RELATING TO CONDUCT OF BUSINESS

6.1 Covenants of SCB and Southwest. During the period from the date hereof and continuing until the Effective Time, except as expressly contemplated or permitted by this Agreement or with the prior written consent of Stonegate, SCB and Southwest shall carry on their businesses in the ordinary course consistent with past practice. Without limiting the generality of the foregoing, and except as set forth in Section 6.1 of the Southwest Disclosure Schedule or as otherwise contemplated by this Agreement or consented to in writing by Stonegate, SCB and Southwest shall not:

- (a) declare or pay any dividends on, or make other distributions in respect of, any of its capital stock;
- (b) (i) repurchase, redeem or otherwise acquire any shares of the capital stock of Southwest, or any securities convertible into or exercisable for any shares of the capital stock of Southwest, (ii) split, combine or reclassify any shares of its capital stock or issue or authorize or propose the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, or (iii) except pursuant to Rights referenced on the Southwest Disclosure Schedule, issue, deliver or sell, or authorize or propose the issuance, delivery or sale of, any shares of its capital stock or any securities convertible into or exercisable for, or any rights, warrants or options to acquire, any such shares, or enter into any agreement with respect to any of the foregoing (including additional Rights similar to those set forth on the Southwest Disclosure Schedule);
- (c) amend its governing documents;
- (d) make any capital expenditures other than those which (i) are made in the ordinary course of business or are necessary to maintain existing assets in good repair and (ii) in any event are in an amount of no more than \$25,000 in the aggregate;
- (e) enter into any new line of business;
- (f) acquire or agree to acquire, by merging or consolidating with, or by purchasing a substantial equity interest in or a substantial portion of the assets of, or by any other manner, any business or any corporation, partnership, association or other business organization

or division thereof or otherwise acquire any assets, other than in connection with foreclosures, settlements in lieu of foreclosure or troubled loan or debt restructurings or in the ordinary course of business consistent with past practices;

(g) take any action that is intended or may reasonably be expected to result in any of its representations and warranties set forth in this Agreement being or becoming untrue, or in any of the conditions to the Merger set forth in Article VIII not being satisfied;

(h) take any action or enter into any agreement that could reasonably be expected to jeopardize or materially delay the receipt of any Requisite Regulatory Approval (as defined in Section 8.1(b));

(i) change its methods of accounting in effect at December 31, 2009, except as required by changes in GAAP or regulatory accounting principles as concurred to by Southwest's independent auditors;

(j) (i) except as required by applicable law, as set forth in Section 4.17, or as required to maintain qualification pursuant to the Code, adopt, materially amend, or terminate any employee benefit plan (including, without limitation, any Plan) or any agreement, arrangement, plan or policy between Southwest or one or more of its current or former directors, officers or employees or any Affiliate of any such person, or (ii) except for normal increases in the ordinary course of business consistent with past practice or except as required by applicable law, increase in any manner the compensation or fringe benefits of any director, officer or employee or pay any benefit not required by any Plan or agreement as in effect as of the date hereof (including, without limitation, the granting of any stock options, stock appreciation rights, restricted stock, restricted stock units or performance units or shares);

(k) other than activities in the ordinary course of business consistent with past practice, sell, lease, encumber, assign or otherwise dispose of, or agree to sell, lease, encumber, assign or otherwise dispose of, any of its material assets, properties or other rights or agreements;

(l) other than in the ordinary course of business consistent with past practice, incur any indebtedness for borrowed money or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other individual, corporation or other entity;

(m) file any application to relocate or terminate the operations of any of its banking offices;

(n) create, renew, amend or terminate or give notice of a proposed renewal, amendment or termination of, any contract, agreement or lease for goods, services or office space, involving payments thereunder by SCB or Southwest in excess of \$25,000 per year, to which Southwest is a party or by which SCB or Southwest or its properties is bound, other than the renewal in the ordinary course of business of any lease the term or option to renew of which expires prior to the Closing Date; or

(o) agree to do any of the foregoing.

6.2 Covenants of Stonegate. Except as otherwise contemplated by this Agreement or consented to in writing by Southwest, Stonegate shall not, and shall not permit any of its Subsidiaries to:

(a) except for regular quarterly cash dividends consistent with past practice, declare or pay any dividends on or make any other distributions in respect of any of its capital stock;

(b) take any action that is intended or may reasonably be expected to result in any of its representations and warranties set forth in this Agreement being or becoming untrue, or in any of the conditions to the Merger set forth in Article VIII not being satisfied;

(c) take any action or enter into any agreement that could reasonably be expected to jeopardize or materially delay the receipt of any Requisite Regulatory Approval (as defined in Section 8.1(b)).

ARTICLE VII

ADDITIONAL AGREEMENTS

7.1 Regulatory Matters.

(a) The parties hereto shall cooperate with each other and use their commercially reasonable best efforts to promptly prepare and file all necessary documentation, to effect all applications, notices, petitions and filings, and to obtain as promptly as practicable all permits, consents, approvals and authorizations of all third parties and Governmental Entities which are necessary or advisable to consummate the transactions contemplated by this Agreement (including without limitation the Merger). SCB, Southwest and Stonegate shall have the right to review in advance, and to the extent practicable each will consult the other on, in each case subject to applicable laws relating to the exchange of information, all the information relating to SCB, Southwest or Stonegate, as the case may be, and any of SCB, Southwest or Stonegate's Subsidiaries, which appears in any filing made with, or written materials submitted to, any third party or any Governmental Entity in connection with the transactions contemplated by this Agreement. In exercising the foregoing right, each of the parties hereto shall act reasonably and as promptly as practicable. The parties hereto agree that they will consult with each other with respect to the obtaining of all permits, consents, approvals and authorizations of all third parties and Governmental Entities necessary or advisable to consummate the transactions contemplated by this Agreement and each party will keep the other apprised of the status of matters relating to completion of the transactions contemplated herein.

(b) SCB, Southwest and Stonegate shall, upon request, furnish each other with all information concerning themselves, their Subsidiaries, directors, officers and stockholders and such other matters as may be reasonably necessary or advisable in connection with any statement, filing, notice or application made by or on behalf of SCB, Southwest or Stonegate or their Subsidiaries to any Governmental Entity in connection with the Merger and the other transactions contemplated by this Agreement.

(c) SCB, Southwest and Stonegate shall promptly furnish each other with copies of written communications received by Stonegate, SCB or Southwest, as the case may be, or any of their respective Affiliates or Associates (as such terms are defined in Rule 12b-2 under the Exchange Act as in effect on the date hereof) from, or delivered by any of the foregoing to, any Governmental Entity in respect of the transactions contemplated hereby.

7.2 Access to Information.

(a) SCB, Southwest and Stonegate will each keep the other advised of all material developments relevant to their respective businesses, and to the consummation of the Merger, and each shall provide to the other, upon request, reasonable details of any such development. Upon reasonable notice, each party shall afford to representatives of the other party reasonable access, during normal business hours during the period prior to the Effective Time, to all of their respective properties, books, contracts, commitments and records, and during such period, shall make available all information concerning their respective businesses as may be reasonably requested. The other provisions of this Section notwithstanding, neither party nor any of its Subsidiaries shall be required to provide access to or to disclose information where such access or disclosure would violate or prejudice the rights of its customers, jeopardize any attorney-client privilege or contravene any law (including without limitation laws regarding exchange of information), rule, regulation, order, judgment, decree, fiduciary duty or binding agreement entered into prior to the date hereof.

(b) All non-public information furnished to SCB, Southwest or Stonegate by the other party hereto pursuant to this Agreement (other than (i) information already in the receiving party's possession, or (ii) information that is or becomes generally available to the public other than as a result of a disclosure by the receiving party or any of its directors, officers, employees, agents or advisors, or (iii) information that becomes available to the receiving party on a non-confidential basis from a source other than the disclosing party or its advisors, provided that such source is not known by the receiving party after due inquiry to be bound by a confidentiality agreement with or other obligation of secrecy to the disclosing party) shall be kept confidential, and the parties shall maintain, and shall cause each of their respective directors, officers, attorneys and advisors to maintain, the confidentiality of all information obtained hereunder which is not otherwise publicly disclosed by the other party, said undertakings with respect to confidentiality to survive any termination of this Agreement. In the event of the termination of this Agreement, each party shall return to the other party upon request all confidential information previously furnished in connection with the transactions contemplated by this Agreement.

(c) No investigation by either of the parties or their respective representatives shall affect the representations, warranties, covenants or agreements of the other set forth herein.

7.3 Certain Actions.

(a) Except with respect to this Agreement and the transactions contemplated hereby, neither SCB nor Southwest, nor any of their directors, officers, agents, Affiliates or representatives (collectively, "Representatives"), shall, directly or indirectly, initiate, solicit,

encourage or knowingly facilitate (including by way of furnishing information) any inquiries with respect to or the making of any Acquisition Proposal.

(b) Notwithstanding anything herein to the contrary, Southwest and its Board of Directors and Representatives shall be permitted to engage in any discussions or negotiations with, or provide any information to, any person in response to an unsolicited written Acquisition Proposal by any such person, if and only to the extent that (a) Southwest's Board of Directors concludes in good faith and consistent with its fiduciary duties to Southwest's shareholders under applicable law that such Acquisition Proposal would reasonably be expected to result in a Superior Proposal, (b) prior to providing any information or data to any person in connection with such Acquisition Proposal by any such person, Southwest's Board of Directors receives from such person an executed confidentiality agreement.

(c) SCB and Southwest agree that they will, and will cause their Representatives to, immediately cease and cause to be terminated any activities, discussions, or negotiations existing as of the date hereof with any parties conducted heretofore with respect to any Acquisition Proposal.

7.4 Stockholder Meetings. SCB and Southwest shall take all steps necessary to duly call, give notice of, convene and hold meetings of its stockholders to be held as soon as is reasonably practicable for the purpose of voting upon the approval of this Agreement and the consummation of the transactions contemplated hereby. SCB and Southwest shall, through its Board of Directors, subject to the fiduciary duties of such board, recommend to its stockholders approval of this Agreement and the transactions contemplated hereby and such other matters as may be submitted to its stockholders in connection with this Agreement.

7.5 Legal Conditions to Merger. Each of SCB, Southwest and Stonegate shall, and shall cause its Subsidiaries to, use their commercially reasonable best efforts (a) to take, or cause to be taken, all actions necessary, proper or advisable to comply promptly with all legal requirements which may be imposed on such party or its Subsidiaries with respect to the Merger and, subject to the conditions set forth in Article VIII hereof, to consummate the transactions contemplated by this Agreement and (b) to obtain (and to cooperate with the other party to obtain) any consent, authorization, order or approval of, or any exemption by, any Governmental Entity and any other third party which is required to be obtained by SCB, Southwest or Stonegate in connection with the Merger and the other transactions contemplated by this Agreement, and to comply with the terms and conditions of such consent, authorization, order or approval.

7.6 Employee Benefit Plans; Employment Agreements; Existing Agreements.

(a) As of the Effective Time, the employees of Southwest shall be eligible to participate in employee benefit plans and severance plans of Stonegate or its Subsidiaries in which similarly situated employees of Stonegate or its Subsidiaries participate, to the same extent that similarly situated employees of Stonegate or its Subsidiaries participate (it being understood that inclusion of Southwest's employees in Stonegate's employee benefit plans may occur at different times with respect to different plans, but as soon as administratively feasible based on the provisions of such Stonegate employee benefit plans).

(b) With respect to each Stonegate Plan for which length of service is taken into account for any purpose (including Stonegate's severance plan), service with Southwest (or predecessor employers to the extent Southwest provides past service credit) shall be treated as service with Stonegate for purposes of determining eligibility to participate, vesting, and entitlement to benefits, including for severance benefits and vacation entitlement (but not for accrual of defined benefit pension benefits). Such service also shall apply for purposes of satisfying any waiting periods, evidence of insurability requirements, or the application of any preexisting condition limitations. Each Stonegate Plan shall waive pre-existing condition limitations to the same extent waived under the applicable Southwest Plan. Southwest's employees shall be given credit for amounts paid under a corresponding benefit plan during the same period for purposes of applying deductibles, co-payments and out-of-pocket maximums as though such amounts had been paid in accordance with the terms and conditions of the Stonegate Plan.

(c) Simultaneous with this Agreement, Stonegate shall enter into the employment agreement with Bruce A. Schultz attached hereto as Exhibit B (the "Bruce A. Schultz Employment Agreement"), the employment agreement with Thomas Fuess attached hereto as Exhibit C (the "Thomas Fuess Employment Agreement") and the employment agreement with Elsie G. Stearns attached hereto as Exhibit D (the "Elsie G. Stearns Employment Agreement") and the transition agreement with David L. Robbins attached hereto as Exhibit E (the "David L. Robbins Transition Agreement"). After the Merger, Stonegate shall honor the employment contracts of Southwest specifically identified in Section 4.19(a) of the Southwest Disclosure Schedule (other than the employment contracts that are superseded by the Bruce A. Schultz Employment Agreement, the Thomas Fuess Employment Agreement, the Elsie G. Stearns Employment Agreement and the David L. Robbins Transition Agreement), in accordance with the terms of such contracts.

(d) As of the Effective Time, Stonegate shall assume and honor and shall cause the appropriate Subsidiaries of Stonegate to assume and to honor in accordance with their terms all written agreements listed in Section 4.19 of the Southwest Disclosure Schedule (the "Benefit Agreements"). Stonegate acknowledges and agrees that the Merger will constitute a merger, sale or a change in control of Southwest for all purposes under such agreements. The provisions of this Section 7.6(d) are intended to be for the benefit of, and shall be enforceable by, each director, officer or employee that is a party to any Benefit Agreement.

7.7 Termination of Certain Material Agreements. Southwest will cause all of the agreements listed in Section 7.7 to the Southwest Disclosure Schedule to be terminated as of the Effective Time.

7.8 Appointment of Director. Effective as of the Effective Time, Stonegate shall add a member to its Board of Directors, and shall appoint a designee of Southwest (the "Southwest Director") to fill the vacancy.

7.9 Tail Insurance. SCB shall obtain, at no cost to Stonegate or Southwest, supplemental insurance policies (the "Tail Policies") providing for extended reporting periods of at least one (1) year for claims made after the Closing in respect of events occurring prior to or as of the Closing, in form and substance reasonably acceptable to Stonegate, to insure against director and officer, entity, fiduciary and employment practices liability claims relating to SCB or Southwest for periods prior to the Closing and to have the effect of converting SCB and Southwest's current director and officer, entity, fiduciary and employment practices liability insurance into "occurrence based" coverage. SCB shall deliver to Stonegate evidence of the Tail Policies at least ten (10) days prior to the Closing. The premiums subject to rebate at the Effective Time under the then-existing insurance policies of SCB and Southwest shall be used to pay the premiums for the Tail Policies in full.

7.10 Additional Agreements. In case at any time after the Effective Time any further action is necessary or desirable to carry out the purposes of this Agreement or to vest the Surviving Corporation with full title to all properties, assets, rights, approvals, immunities and franchises of any of the parties to the Merger, the proper officers and directors of each party to this Agreement shall take all such necessary action as may be reasonably requested by Stonegate or Southwest.

7.11 Accounting Matters. Southwest shall cooperate with Stonegate concerning (i) accounting and financial matters necessary or appropriate to facilitate the Merger (taking into account Stonegate's policies, practices and procedures), including, without limitation, issues arising in connection with record keeping, loan classification, valuation adjustments, levels of loan loss reserves and other accounting practices, and (ii) Southwest's lending, investment or asset/liability management policies; provided, that any action taken pursuant to this Section 7.11 shall not be deemed to constitute or result in the breach of any representation or warranty of Southwest contained in this Agreement.

7.12 Southwest Information.

(a) The information relating to Southwest which is provided for inclusion in any document filed with any other regulatory agency in connection herewith, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading. All documents which SCB or Southwest or any of their Subsidiaries is responsible for filing with any Governmental Authority in connection with the transactions contemplated hereby will comply as to form in all material respects with the provisions of Applicable Law.

(b) The information relating to Stonegate which is provided for inclusion in any document filed with any regulatory agency in connection herewith, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading. All documents which Stonegate or any of its Subsidiaries is responsible for filing with any Governmental Authority in connection with the transactions contemplated hereby will comply as to form in all material respects with the provisions of Applicable Law.

ARTICLE VIII

CONDITIONS PRECEDENT

8.1 Conditions to Each Party's Obligation To Effect the Merger. The respective obligation of each party to effect the Merger shall be subject to the satisfaction at or prior to the Effective Time of the following conditions:

(a) Stockholder Approval. This Agreement shall have been approved and adopted by the requisite vote of the holders of the outstanding shares of SCB Common Stock and Southwest Common Stock under applicable law.

(b) Other Approvals. All regulatory approvals required to consummate the transactions contemplated hereby (including the Merger) shall have been obtained and shall remain in full force and effect and all statutory waiting periods in respect thereof shall have expired (all such approvals and the expiration of all such waiting periods being referred to herein as the "Requisite Regulatory Approvals").

(c) No Injunctions or Restraints; Illegality. No order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Merger (an "Injunction") shall be in effect. No statute, rule, regulation, order, injunction or decree shall have been enacted, entered, promulgated or enforced by any Governmental Entity which prohibits, restricts or makes illegal consummation of the Merger.

8.2 Conditions to Obligations of Stonegate. The obligation of Stonegate to effect the Merger is also subject to the satisfaction or waiver by Stonegate at or prior to the Effective Time of the following conditions:

(a) Representations and Warranties. (i) Subject to Section 3.2, the representations and warranties of SCB and Southwest set forth in this Agreement (other than those set forth in Section 4.2) shall be true and correct as of the date hereof and (except to the extent such representations and warranties speak as of an earlier date) as of the Closing Date as though made on and as of the Closing Date; and (ii) the representations and warranties of SCB and Southwest set forth in Section 4.2 of this Agreement shall be true and correct in all material respects (without giving effect to Section 3.2 of this Agreement) as of the date hereof and (except to the extent such representations and warranties speak as of an earlier date) as of the Closing Date as though made on and as of the Closing Date. Stonegate shall have received a

certificate signed on behalf of SCB and Southwest by the Chief Executive Officer or the Chief Financial Officer of SCB and Southwest to the foregoing effect.

(b) Performance of Obligations of SCB and Southwest. SCB and Southwest shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date, and Stonegate shall have received a certificate signed on behalf of SCB and Southwest by the Chief Executive Officer or the Chief Financial Officer of SCB and Southwest to such effect.

(c) Maintenance of Certain Key Balances and Ratios. Subject to prior written notification to Stonegate of any variance prior to the Effective Time, the concurrence with which Stonegate will not unreasonably withhold, at the Effective Time Southwest shall have maintained key balances, ratios and other conditions as set forth below and Stonegate shall have received a certificate signed on behalf of SCB and Southwest by the Chief Executive Officer or the Chief Financial Officer of SCB and Southwest to such effect:

- (i) Loans outstanding shall be at least \$80.0 million;
- (ii) There shall be no greater than \$7.7 million in aggregate net book value of non-accrual loans and other real estate owned;
- (iii) There shall be no greater than \$7.5 million in aggregate loans graded 6 or 7;
- (iv) Total assets shall be at least \$113.5 million;
- (v) Total deposits outstanding shall be at least \$98.6 million;
- (vi) Brokered and Qwickrate CDs shall not exceed the amount outstanding as of May 31, 2010;
- (vii) The ratio of demand, NOW and MMDA deposits to total deposits shall be at least 20%;
- (viii) There shall be no greater than a 10 basis point increase in deposit rates posted as of May 31, 2010;
- (ix) There shall be no additions or deletions from the Southwest investment portfolio except for:
 - (A) Called bonds;
 - (B) Private label or whole loan collateralized mortgage obligations which must be sold or liquidated prior to the Effective Date; and
 - (C) Securities with a risk weighting of 0% or 20%;

(x) Southwest's year-to-date net interest margin shall be at least 3.65%, notwithstanding any reversal of interest related to non-accrual loans; and

(xi) All expenses, including but not limited to, real estate taxes related to non-performing loans and assets, and all other taxes relating to real and tangible property, shall be paid current or accrued through Closing.

(d) Conditions Met. Stonegate shall have received a certificate of an executive officer of SCB and Southwest stating that to his Knowledge, each of the conditions set forth in this Article VIII have been met.

(e) Non-Competition Agreements. Each of the SCB and Southwest Board members shall have executed a non-competition agreement in the form of Exhibit F attached hereto.

(f) Downstream Distribution. SCB shall have made a downstream distribution of all its assets to Southwest prior to the Effective Time; provided, however, that \$35,000 in cash may be retained at the Effective Time.

8.3 Conditions to Obligations of SCB and Southwest. The obligation of SCB and Southwest to effect the Merger is also subject to the satisfaction or waiver by SCB and Southwest at or prior to the Effective Time of the following conditions:

(a) Representations and Warranties. (i) Subject to Section 3.2, the representations and warranties of Stonegate set forth in this Agreement (other than those set forth in Section 5.2) shall be true and correct as of the date hereof and (except to the extent such representations and warranties speak as of an earlier date) as of the Closing Date as though made on and as of the Closing Date; and (ii) the representations and warranties of Stonegate set forth in Section 5.2 of this Agreement shall be true and correct in all material respects (without giving effect to Section 3.2 of this Agreement) as of the date hereof and (except to the extent such representations and warranties speak as of an earlier date) as of the Closing Date as though made on and as of the Closing Date. Southwest shall have received a certificate signed on behalf of Stonegate by the Chief Executive Officer or the Chief Financial Officer of Stonegate to the foregoing effect.

(b) Performance of Obligations of Stonegate. Stonegate shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date, and Southwest shall have received a certificate signed on behalf of Stonegate by the Chief Executive Officer or the Chief Financial Officer of Stonegate to such effect.

(c) Conditions Met. Southwest shall have received a certificate of an executive officer of Stonegate stating that to his Knowledge, each of the conditions set forth in this Article VIII have been met.

ARTICLE IX

TERMINATION AND AMENDMENT

9.1 Termination. This Agreement may be terminated at any time prior to the Effective Time, whether before or after approval of the matters presented in connection with the Merger by the stockholders of SCB and Southwest:

(a) by mutual consent of Southwest and Stonegate in a written instrument, if the Board of Directors of each so determines by a vote of a majority of the members of its entire Board;

(b) by Stonegate or Southwest upon written notice to the other parties (i) 30 days after the date on which any request or application for a Requisite Regulatory Approval shall have been denied or withdrawn at the request or recommendation of the Governmental Entity which must grant such Requisite Regulatory Approval, unless within the 30-day period following such denial or withdrawal a petition for rehearing or an amended application has been filed with the applicable Governmental Entity, provided, however, that no party shall have the right to terminate this Agreement pursuant to this Section 9.1(b)(i) if such denial or request or recommendation for withdrawal shall be due to the failure of the party seeking to terminate this Agreement to perform or observe the covenants and agreements of such party set forth herein or (ii) if any Governmental Entity of competent jurisdiction shall have issued a final nonappealable order enjoining or otherwise prohibiting the Merger;

(c) by either Stonegate or Southwest if the Merger shall not have been consummated on or before February 28, 2011, unless the failure of the Closing to occur by such date shall be due to the failure of the party seeking to terminate this Agreement to perform or observe the covenants and agreements of such party set forth herein;

(d) by either Stonegate or Southwest if the approval of the stockholders of SCB and Southwest required for the consummation of the Merger shall not have been obtained by reason of the failure to obtain the required vote at a duly held meeting of such stockholders or at any adjournment or postponement thereof;

(e) by either Stonegate or Southwest (provided that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained herein) if there shall have been a material breach of any of the representations or warranties set forth in this Agreement on the part of the other party, which breach is not cured within 30 days following written notice to the party committing such breach, or which breach, by its nature, cannot be cured prior to the Closing; provided, however, that neither party shall have the right to terminate this Agreement pursuant to this Section 9.1(e) unless the breach of representation or warranty, together with all other such breaches, would entitle the party receiving such representation not to consummate the transactions contemplated hereby under Section 8.2(a) (in the case of a breach of representation or warranty by Southwest) or Section 8.3(a) (in the case of a breach of representation or warranty by Stonegate);

(f) by either Stonegate or Southwest (provided that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained herein) if there shall have been a material breach of any of the covenants or agreements set forth in this Agreement on the part of the other party, which breach shall not have been cured within 30 days following receipt by the breaching party of written notice of such breach from the other party hereto, or which breach, by its nature, cannot be cured prior to the Closing;

(g) by Southwest, in the event that the Board of Directors of Southwest determines in good faith, based on the opinion of outside counsel, that in light of a Superior Proposal it is necessary to terminate this Agreement in order to comply with its fiduciary duties to Southwest and to Southwest's shareholders under applicable law; provided, however, that the Board of Directors of Southwest may terminate this Agreement pursuant to this Section 9.1(g) solely in order to concurrently enter into a letter of intent, agreement in principle or an acquisition agreement or other similar agreement (each, an "Acquisition Agreement") related to a Superior Proposal; provided further, however, that this Agreement may be terminated pursuant to this Section 9.1(g) only after the tenth business day following Southwest's receipt of written notice advising Southwest that the Board of Directors of Southwest is prepared to accept a Superior Proposal, and only if, during such ten business day period, if Southwest so elects, Southwest and its advisors shall have negotiated in good faith with Stonegate to make such adjustments in the terms and conditions of this Agreement as would enable Southwest to proceed with the transactions contemplated herein on such adjusted terms; or

(h) by Stonegate, in the event that (i) any of the Certain Key Balances and Ratios set forth in Section 8.2(c) are not properly maintained, or (ii) the Net Asset Value is less than \$6.65 million at any month end prior to the Closing Date.

9.2 Effect of Termination. In the event of termination of this Agreement by either Stonegate or Southwest as provided in Section 9.1, this Agreement shall forthwith become void and have no effect except (i) Sections 7.2(b), 9.2 and 10.3 shall survive any termination of this Agreement and (ii) that, notwithstanding anything to the contrary contained in this Agreement, no party shall be relieved or released from any liabilities or damages arising out of its breach of any provision of this Agreement. Notwithstanding the foregoing, if Southwest terminates this Agreement pursuant to Section 9.1(g), Southwest shall pay to Stonegate a termination fee equal to \$400,000 by wire transfer of same day funds on the date of termination.

9.3 Amendment. Subject to compliance with applicable law, this Agreement may be amended by the parties hereto, by action taken or authorized by their respective Boards of Directors, at any time before or after approval of the matters presented in connection with the Merger by the stockholders of either Southwest or Stonegate; provided, however, that after any approval of the transactions contemplated by this Agreement by Southwest's stockholders, there may not be, without further approval of such stockholders, any amendment of this Agreement which reduces the amount or changes the form of the consideration to be delivered to Southwest stockholders hereunder other than as contemplated by this Agreement. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

9.4 Extension; Waiver. At any time prior to the Effective Time, each of the parties hereto, by action taken or authorized by its Board of Directors, may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of the other party hereto, (b) waive any inaccuracies in the representations and warranties of the other party contained herein or in any document delivered pursuant hereto and (c) waive compliance with any of the agreements or conditions of the other party contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party, but such extension or waiver or failure to insist on strict compliance with an obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

ARTICLE X

GENERAL PROVISIONS

10.1 Closing. Subject to the terms and conditions of this Agreement, the closing of the Merger (the "Closing") will take place at 10:00 A.M. on the first business day after all conditions set forth in Article VIII have either been satisfied or waived (other than those conditions which relate to actions to be taken at the Closing) (the "Closing Date") at Stonegate's principal executive offices, unless another time, date or place is agreed to in writing by the parties hereto.

10.2 Nonsurvival of Representations, Warranties and Agreements. None of the representations, warranties, covenants and agreements in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time, except for those covenants and agreements contained herein and therein which by their terms apply in whole or in part after the Effective Time provided that no such representations, warranties or covenants shall be deemed to be terminated or extinguished so as to deprive Stonegate, SCB or Southwest (or any director, officer or controlling person thereof) of any defense at law or in equity which otherwise would be available against the claims of any third party, including, without limitation, any shareholder or former shareholder of SCB, Stonegate or Southwest.

10.3 Expenses. Expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

10.4 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally, telecopied, mailed by registered or certified mail (return receipt requested) or delivered by an express courier to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to Stonegate, to:

Stonegate Bank
1430 N. Federal Highway
Ft. Lauderdale, Florida 33304
Attention: David Seleski

with a copy to:

Akerman Senterfitt
One S.E. Third Avenue, Suite 2500
Miami, Florida 33131
Attention: Bradley D. Houser

(b) if to SCB or Southwest, to:

12670 Creekside Lane, Suite 101
Fort Myers, Florida 33919
Attention: Bruce A. Schultz

with a copy to:

Smith, Gambrell & Russell, LLP
Promenade II, Suite 3100
1230 Peachtree Street N.E.,
Atlanta, Georgia 30309
Attention: Robert Schwartz

10.5 Counterparts. This Agreement may be executed in counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

10.6 Entire Agreement. This Agreement (including the documents and the instruments referred to herein) constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

10.7 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Florida, without regard to any applicable conflicts of law, except to the extent that various matters under this Agreement must be necessarily governed by the FBA or the NBA.

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

10.9 Publicity. Except as expressly permitted by this Agreement or otherwise required by law, so long as this Agreement is in effect, neither SCB, Southwest or Stonegate shall, or

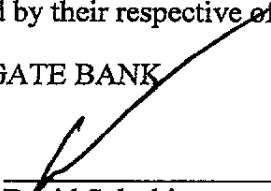
shall permit any of its Subsidiaries to, issue or cause the publication of any press release or other public announcement with respect to, or otherwise make any public statement concerning, the transactions contemplated by this Agreement without the consent of the other party, which consent shall not be unreasonably withheld.

10.10 Assignment; No Third Party Beneficiaries. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns. Except as otherwise expressly provided herein, this Agreement (including the documents and instruments referred to herein) is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

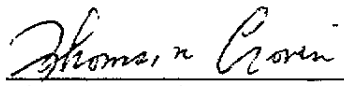
[signatures appear on following page]

IN WITNESS WHEREOF, Stonegate, SCB and Southwest have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

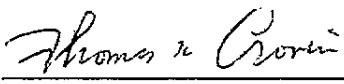
STONEGATE BANK

By: 
Name: David Seleski
Title: President and Chief Executive Officer

SOUTHWEST CAPITAL BANCSHARES, INC.

By: 
Name: Thomas Cronin
Title: Chairman of the Board

SOUTHWEST CAPITAL BANK, N.A.

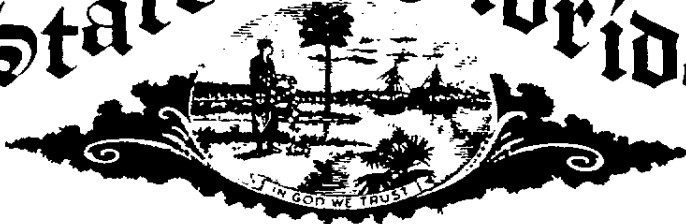
By: 
Name: Thomas Cronin
Title: Chairman of the Board

[Signature Page to Agreement and Plan of Merger]

Exhibit A

Form of Voting Agreement

State of Florida



Department of State

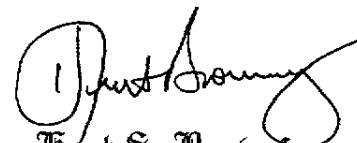
I certify the attached is a true and correct copy of the Articles of Incorporation, as amended to date, of STONEGATE BANK, a corporation organized under the laws of the State of Florida, as shown by the records of this office.

The document number of this corporation is P05000007176.



CR2EO22 (01-07)

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this the
Eighteenth day of March, 2011



Kurt S. Browning
Secretary of State

ARTICLES OF INCORPORATION
OF
STONEGATE BANK

05 JAN 13 AM 11:13
JAN 13 11:13 AM
JAN 13 11:13 AM

The undersigned, acting as directors for the purpose of forming a corporation under and by virtue of the Laws of the State of Florida, adopt the following Articles of Incorporation:

ARTICLE I

The name of the corporation shall be STONEGATE BANK and its initial place of business shall be at 2455 E. Sunrise Boulevard, Suite 600, in the City of Fort Lauderdale, in the County of Broward and the State of Florida.

ARTICLE II

The general nature of the business to be transacted by this corporation shall be that of a general commercial banking business with all the rights, powers and privileges granted and conferred by the Florida Financial Institutions Codes, Chapters 655, et seq., Florida Statutes, and any successor statutes, regulating the organization, powers and management of banking corporations.

ARTICLE III

The total number of shares authorized to be issued by the corporation shall be 5,000,000. Such shares shall be of a single class and shall have a par value of \$5.00 per share. The corporation shall begin business with at least \$8,000,000 in paid-in common capital stock to be divided into 1,600,000 shares. The amount of surplus with which the corporation will begin business will be not less than \$7,487,212.

ARTICLE IV

The term for which said corporation shall exist shall be perpetual unless terminated pursuant to the Florida Financial Institutions Codes.

ARTICLE V

The number of directors constituting the initial Board of Directors of the corporation shall be seven. The names and street addresses of the initial directors of the corporation are:

NAME	STREET ADDRESS
<u>Jeffrey Holding</u>	<u>778 Middle River Dr., Ft. Lauderdale, FL 33304</u>
<u>Jeff Nudelman</u>	<u>3000 Meadow Lane, Weston, FL 33331</u>

<u>Alan Robbins</u>	<u>1807 Victoria Pointe Circle, Weston, FL 33327</u>
<u>Robin Rodriguez</u>	<u>3333 Poinciana Ave., Coconut Grove, FL 33133</u>
<u>Gary Rotella</u>	<u>2833 N.E. 24th Ct., Ft. Lauderdale, FL 33305</u>
<u>David Seleski</u>	<u>440 S.E. 1st Terr., Pompano Beach, FL 33060</u>
<u>Robert Souaid</u>	<u>335 Old School Rd., Gulf Stream, FL 33483</u>
<u>John Tomlinson</u>	<u>756 Middle River Dr., Ft. Lauderdale, FL 33304</u>

A majority of the full Board of Directors may, at any time during the year following the annual meeting of shareholders, increase the number of directors by not more than two and appoint persons to fill resulting vacancies.

In witness of the foregoing, the undersigned incorporator has executed these Articles of Incorporation this 6th day of January, 2005.

JEFF HOLDING, Incorporator

STATE OF FLORIDA)
COUNTY OF Broward) SS

The foregoing instrument was acknowledged before me this 6th day of January, 2005, by Jeff Holding who is personally known to me or who has produced as identification and who did/did not take an oath.

(SEAL)



Thresa A. Mather
Commission # DD 068663
Expires Oct. 30, 2005
Bonded Thru
Atlantic Bonding Co., Inc.

Thresa A. Mather
Notary Public - State of Florida at Large
My Commission Expires: 10/30/05

Approved by the Office of Financial Regulation this 13TH day of January, 2005.

Tallahassee, Florida

Linda B. Charity
Name: LINDA B. CHARITY
Title: DIRECTOR

05 JAN 13 AM 11:13

ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF
STONEGATE BANK

FILED

06 MAY 16 PM 3:18

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the provisions of Section 607.1006 of the Florida Business Corporation Act, STONEGATE BANK, a Florida Corporation (the "Corporation"), adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the Corporation is STONEGATE BANK.
2. Article III of the Corporation's Articles of Incorporation is hereby deleted in its entirety and a new Article III is inserted in its place, as follows:

ARTICLE III

"The total number of shares authorized to be issued by the corporation shall be 10,000,000. Such shares shall be of a single class and shall have a par value of \$5.00 per share."

3. Except as hereby amended, the Articles of Incorporation of the Corporation shall remain the same.
4. The amendment made herein to the Articles of Incorporation of the Corporation was recommended to the shareholders by the Board of Directors and approved by the unanimous written consent of the shareholders and the directors of the Corporation on the date of these Articles of Amendment, pursuant to Sections 607.0704, 607.0821 and 607.1003 of the Florida Business Corporation Act. The number of shareholder votes cast for the amendment was sufficient for approval.
5. The effective date of this Amendment shall be April 26, 2006.

IN WITNESS WHEREOF, the undersigned President of the Corporation has executed the foregoing Articles of Amendment, this 26th day of April, 2006.



Cornelia V. Carjan
My Commission DD221806
Expires June 11, 2007

Cornelia V. Carjan

[Signature]
David Seleski, President

APPROVAL

Approved by the Florida Office of Financial Regulation the 11th day of May, 2006.

{M2399105;1}

[Signature]
Linda B. Charity

Director, Division of Financial Institutions

**ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF
STONEGATE BANK**

Pursuant to the provisions of Section 607.1006 of the Florida Business Corporation Act, Stonegate Bank, a Florida Corporation (the "Corporation"), adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the Corporation is Stonegate Bank.
2. Article III of the Corporation's Articles of Incorporation is hereby deleted in its entirety and a new Article III is inserted in its place, as follows:

ARTICLE III

"The total number of common shares authorized to be issued by the Corporation shall be 20,000,000. Such shares shall be of a single class and shall have a par value of \$5.00 per share. The total number of preferred shares authorized to be issued by the Corporation shall be 4,000,000."

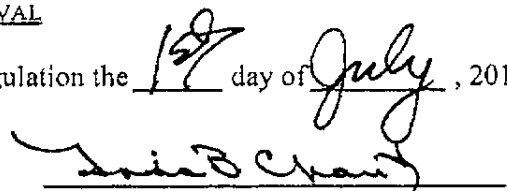
3. Except as hereby amended, the Articles of Incorporation of the Corporation shall remain the same.
4. The amendment made herein to the Articles of Incorporation of the Corporation was recommended to the shareholders by the Board of Directors and approved by the unanimous written consent of the shareholders and the directors of the Corporation on the date of these Articles of Amendment, pursuant to Sections 607.0704, 607.0821 and 607.1003 of the Florida Business Corporation Act. The number of shareholders votes cast for the amendment was sufficient for approval.
5. The effective date of this Amendment shall be May 6, 2010.

IN WITNESS WHEREOF, the undersigned President of the Corporation has executed the foregoing Articles of Amendment, this 6 day of May, 2010.


Dave Seleski, President

APPROVAL

Approved by the Florida Office of Financial Regulation the 15th day of July, 2010.


Linda B. Charity, Director

FILED

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA