

P05000007176

(Requestor's Name)

(Address)

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(City/State/Zip/Phone #)

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☐ WAIT

☐ MAIL

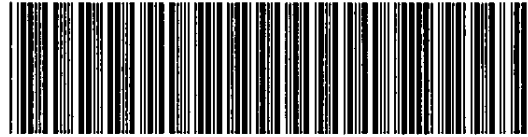
(Business Entity Name)

(Document Number)

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01/12/15--01021--016 **122.50

FILED
15 JAN -8 PM 5:00
SECURITY
FBI ALBUQUERQUE



DREW J. BREAKSPEAR
Commissioner

INTEROFFICE COMMUNICATION

DATE: January 8, 2015

TO: Brenda Tadlock, Department of State
Division of Corporations - Bureau of Commercial Recordings

FROM: Matthew Kirchharr, Division of Financial Institutions

SUBJECT: Merger of Community Bank of Broward and into Stonegate Bank

Please file the attached "Merger Documents" for the above referenced insitutions, using 5:00 PM January 8, 2015, as the effective date and time for the merger.

Please provide one certified copy of these documents to my attention at:

Office of Financial Regulation
Division of Financial Institutions
200 East Gaines Street
Tallahassee, Florida 32399-0371

Attached is a \$122.50 check which represents payment of applicable fees. If there is an over-payment or under-payment of fees, or if you have any questions, please call Gustav L. Schmidt, Esquire at (954) 468-1373.

Attachments

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 Articles and Plan of Merger and Merger Agreement 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, Robert D. Hayes, 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:

Community Bank of Broward
Dania Beach, Broward County, Florida

Charter # 1105

Stonegate Bank
Pompano Beach, Broward County, Florida

Charter # 1149

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 main offices at 400 North Federal Highway, Pompano Beach, Broward County, Florida, and with branch offices as authorized by law. On the effective date of merger, 5:00 p. m. EDT, January 8, 2015, the charter and franchise of Community Bank of Broward shall be deemed terminated and surrendered.

Signed and Sealed this 7th day
of January, 2015.



Robert D. Hayes
Robert D. Hayes, Director
Division of Financial Institutions

OFFICE OF FINANCIAL REGULATION



FILED
15 JAN -8 PM 5:00
SECRETARY
TALLAHASSEE

Having been approved by the Commissioner of the Office of Financial Regulation on January 8, 2015, to merge Community Bank of Broward, Dania Beach, Broward County, Florida, and Stonegate Bank, Pompano Beach, Broward 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 Merger Agreement," which contains the Articles of Incorporation of Stonegate Bank (the resulting bank), so that, effective 5:00 p.m. on January 8, 2015, they shall read as stated herein.

Signed on this 7th day
of January, 2015.

A handwritten signature in black ink, reading "Robert D. Hayes".
Robert D. Hayes, Director
Division of Financial Institutions

PLAN OF MERGER AND MERGER AGREEMENT
OF

COMMUNITY BANK OF BROWARD - 901000111615
WITH AND INTO
STONEGATE BANK - 90500000 7176

FILED

15 JAN -8 PM 5:00

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Effective Date: January 8, 2015

Pursuant to the provisions of Section 658.42 of the Florida Statutes, the undersigned banks do hereby adopt and enter into this Plan of Merger and Merger Agreement (this "Plan") for the purpose of merging (the "Merger") Community Bank of Broward, a Florida-chartered commercial bank ("CBB"), with and into Stonegate Bank, a Florida-chartered commercial bank ("Stonegate"):

- (a) The name of each constituent bank and the specific location of their respective main offices are as follows:

1. Stonegate Bank
400 North Federal Highway
Pompano Beach, Florida 33062

The specific location of each of its branch offices is set forth on Schedule 1 attached hereto.

2. Community Bank of Broward
1991 Stirling Road
Dania Beach, Florida 33004

The specific location of each of its branch offices is set forth on Schedule 2 attached hereto.

- (b) With respect to the resulting Florida-chartered commercial bank:

1. The name and the specific location of the proposed main office are:

Stonegate Bank
400 North Federal Highway
Pompano Beach, Florida 33062

The name of each of its branch offices will be Stonegate Bank. The specific location of each of its existing and proposed branch offices is set forth on Schedule 3 attached hereto.

2. The name and address of each director who is to serve until the next meeting of the shareholders at which directors are elected are set forth on Schedule 4 attached hereto.

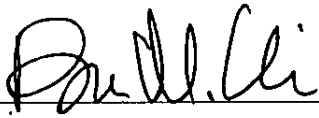
3. The name and address of each executive officer are set forth on **Schedule 5** attached hereto.
 4. The resulting bank will have a single class of common stock, par value \$5.00 per share, consisting of 20,000,000 authorized shares, of which 12,284,594 will be outstanding, and a single class of preferred stock, designated Senior Non-Cumulative Perpetual Preferred Stock, Series A, par value \$1,000.00 per share, of which 12,750 shares will be outstanding. The amount of the surplus fund will be \$135,410,227 and the amount of retained earnings will be \$50,750,000.
 5. The resulting bank will not have trust powers.
 6. The complete articles of incorporation under which the resulting bank will operate are attached hereto as **Schedule 6**.
- (c) The terms of the Merger of the constituent banks are as follows (Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement and Plan of Merger, dated as of August 22, 2014, by and between Stonegate and CBB (the "**Merger Agreement**"), which is hereby incorporated by reference and made a part of this Agreement as if restated fully herein):
1. At the Effective Time (as defined below), CBB shall be merged with and into Stonegate and CBB will cease to exist as a separate banking corporation. All assets and property (real, personal and mixed, tangible and intangible, choses in action, rights and credits) owned by CBB or which would inure CBB immediately prior to the Effective Time shall, at the Effective Time, by operation of law and without any conveyance, transfer or further action, become the property of Stonegate and Stonegate shall be deemed to be a continuation of CBB, the rights and obligations of which shall succeed to such rights and obligations and the duties and liabilities connected therewith.
 2. Each share of Stonegate Capital Stock and all arrangements, calls, commitments, contracts, options, rights to subscribe to, scrip, understandings, warrants, or other binding obligations of any character whatsoever relating to, or securities or rights convertible into or exchangeable for, shares of Stonegate Capital Stock or by which Stonegate is or may be bound to issue additional shares of Stonegate Capital Stock or other equity rights, in each case issued and outstanding immediately prior to the Effective Time shall remain issued and outstanding from and after the Effective Time and shall be unaffected by the Merger.
 3. In connection with the foregoing merger, each share of CBB common stock (excluding shares held by Stonegate or any subsidiaries thereof, in each case other than in a fiduciary capacity or as a result of debts previously contracted, and excluding shares held by shareholders who perfect their statutory dissenters' rights, if any) issued and outstanding immediately prior to the Effective Time shall cease to be outstanding and shall be converted into and exchanged for the right to receive the consideration provided in Section 2.1 of the Merger Agreement.

4. In connection with the foregoing merger, each share of CBB Series A Preferred Stock, \$1.00 par value per share, shall be redeemed for cash pursuant to and in accordance with CBB's Restated Articles of Incorporation (filed with the Florida Secretary of State on March 20, 2009), which are hereby incorporated by reference and made a part of this Agreement as if restated fully herein.
 5. At the Effective Time, all outstanding arrangements, calls, commitments, contracts, options, rights to subscribe to, scrip, understandings, warrants, or other binding obligations of any character whatsoever relating to, or securities or rights convertible into or exchangeable for, shares of the capital stock of CBB or by which CBB is or may be bound to issue additional shares of its capital stock or other equity rights shall be cancelled and extinguished.
 6. The "**Effective Time**" shall mean 5:00 p.m., local time, on January 8, 2015, or as soon as practicable thereafter after the delivery of this Plan and certified resolutions to the Florida Office of Financial Regulation (the "**Office**").
- (d) This Plan is subject to approval by the Office and the shareholders of each of CBB and Stonegate. This Plan was approved and adopted by the shareholders of: (i) CBB on December 11, 2014 and (ii) Stonegate on December 18, 2014.

[Signature Page Follows]

IN WITNESS WHEREOF, each constituent entity has caused these Articles and Plan of Merger to be signed by each such entity's duly authorized officer, as of the 24th day of December 2014.

COMMUNITY BANK OF BROWARD

By: 
Bruce Keir
President & Chief Executive Officer

STONEGATE BANK

By: _____
David Seleski
President & Chief Executive Officer

FILED
15 JAN -8 PM 5:00
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

IN WITNESS WHEREOF, each constituent entity has caused these Articles and Plan of Merger to be signed by each such entity's duly authorized officer, as of the 24th day of December 2014.

COMMUNITY BANK OF BROWARD

By: _____
Bruce Keir
President & Chief Executive Officer

STONEGATE BANK

By: _____
David Seleski
President & Chief Executive Officer

FILED
15 JAN -8 PM 5:00
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Schedule 1

Stonegate Branch Offices

- | | |
|---|---|
| 1. 400 North Federal Highway
Pompano Beach, Florida 33062 | 8. 8630 NW 25th Street
Doral, Florida 33122 |
| 2. 3555 Military Trail
Jupiter, Florida 33458 | 9. 301 Yamato Road
Suite 1111
Boca Raton, Florida 33431 |
| 3. 1750 North University Drive
Suite 101
Coral Springs, Florida 33071 | 10. 500 US 41 Bypass North
Venice, Florida 34285 |
| 4. 3021 Airport Pulling Road
Naples, Florida 34105 | 11. Merchants Crossing
1450 Placida Road
Englewood, Florida 34223 |
| 5. 121 Alhambra Plaza
Suite 1515
Coral Gables, Florida 33134 | 12. 1680 Fruitville Road
Sarasota, Florida 34236 |
| 6. 12670 Creekside Lane
Suite 101
Fort Myers, Florida 33919 | 13. 1430 North Federal Highway
Fort Lauderdale, Florida 33304 |
| 7. 5551 Sunset Lane
St. James City, Florida 33956 | 14. 4600 West Kennedy Boulevard
Tampa, Florida 33609 |

Schedule 2

Community Bank of Broward Branch Offices

1. 1991 Stirling Road
Dania Beach Florida 33004
2. 4600 Hollywood Blvd
Hollywood Florida 33021
3. 3111 N. University Drive
Suite 101
Coral Springs Florida 33065
4. 929 East Hallandale Beach Blvd.
Hallandale Beach, Florida 33009
5. 1504 Weston Road
Weston, Florida 33326
6. 2929 East Commercial Blvd.
Suite # 101
Fort Lauderdale, Florida 33308
7. 10310 Griffin Road,
Cooper City, Florida 33328
8. 510 N. Pine Island Road
Plantation, Florida 33324

Schedule 3

Resulting Bank Branch Offices

- | | |
|---|---|
| 1. 400 North Federal Highway
Pompano Beach, Florida 33062 | 12. 1680 Fruitville Road
Sarasota, Florida 34236 |
| 2. 3555 Military Trail
Jupiter, Florida 33458 | 13. 1430 North Federal Highway
Fort Lauderdale, Florida 33304 |
| 3. 1750 North University Drive
Suite 101
Coral Springs, Florida 33071 | 14. 4600 West Kennedy Boulevard
Tampa, Florida 33609 |
| 4. 3021 Airport Pulling Road
Naples, Florida 34105 | 15. 1991 Stirling Road
Dania Beach Florida 33004 |
| 5. 121 Alhambra Plaza
Suite 1515
Coral Gables, Florida 33134 | 16. 4600 Hollywood Blvd
Hollywood Florida 33021 |
| 6. 12670 Creekside Lane
Suite 101
Fort Myers, Florida 33919 | 17. 3111 N. University Drive
Suite 101
Coral Springs Florida 33065 |
| 7. 5551 Sunset Lane
St. James City, Florida 33956 | 18. 929 East Hallandale Beach Blvd.
Hallandale Beach, Florida 33009 |
| 8. 8630 NW 25th Street
Doral, Florida 33122 | 19. 1504 Weston Road
Weston, Florida 33326 |
| 9. 301 Yamato Road
Suite 1111
Boca Raton, Florida 33431 | 20. 2929 East Commercial Blvd.
Suite # 101
Fort Lauderdale, Florida 33308 |
| 10. 500 US 41 Bypass North
Venice, Florida 34285 | 21. 10310 Griffin Road,
Cooper City, Florida 33328 |
| 11. Merchants Crossing
1450 Placida Road
Englewood, Florida 34223 | 22. 510 N. Pine Island Road
Plantation, Florida 33324 |

Schedule 4

Resulting Bank Directors

Director Name	Address
Jon Bradford Baldwin	400 North Federal Highway Pompano Beach, Florida 33362
William J. Gallo	400 North Federal Highway Pompano Beach, Florida 33362
Jeffrey Holding	778 Middle River Drive Fort Lauderdale, Florida 33304
Bruce Keir	2150 SW 131 st Terrace Davie, Florida 33325
Gerald Laboda	5285 Summerin Road Fort Myers, Florida 33919
Jeff Nudelman	3000 Meadow Lane Weston, Florida 33331
Larry Seidman	100 Misty Lane Parsippany, New Jersey 07054
David Seleski	400 North Federal Highway Pompano Beach, Florida 33362
Robert Souaid	201 Lakeview Drive Gulf Stream, Florida 33483
Glenn Straub	804 Harbour Isles Place Palm Beach Gardens, Florida 33410
John Tomlinson	400 North Federal Highway Pompano Beach, Florida 33362

Schedule 5

Resulting Bank Executive Officers

Executive Officer Name	Address
David Seleski President and Chief Executive Officer	400 North Federal Highway Pompano Beach, Florida 33362
Steve Cameron Executive Vice President and Chief Operating Officer	400 North Federal Highway Pompano Beach, Florida 33362
Steve Sanzone Executive Vice President and Commercial Real Estate Manager	400 North Federal Highway Pompano Beach, Florida 33362
Sharon Jones Senior Vice President and Chief Financial Officer	400 North Federal Highway Pompano Beach, Florida 33362
Staci Blustein Senior Vice President and Chief Credit Officer	400 North Federal Highway Pompano Beach, Florida 33362

Schedule 6

Resulting Bank Articles of Incorporation

[See attached]

FTL_ACTIVE 4545S02.3

POS0000007176

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

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(Business Entity Name)

(Document Number)

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05 JAN 13 AM 11:12

bm 1/14

**INTEROFFICE
COMMUNICATION**



**OFFICE OF FINANCIAL
REGULATION**

Don B. Saxon
Commissioner

DATE: January 13, 2004

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

FROM: Bruce Ricca, Licensing and Chartering

SUBJ: Stonegate Bank
Fort Lauderdale, Broward County
(Proposed New Bank)

Please file the attached Articles of Incorporation for the above-referenced institution, using TODAY'S DATE, as the effective date.

Please make the following distribution of certified copies:

- (1) One copy to: Bruce Ricca
Office of Financial Regulation
Licensing & Chartering
200 East Gaines Street
Tallahassee, FL 32399-0371
- (2) Five copies to: Ms. Nina S. Gordon
Broad & Cassel
7777 Glades Road
Suite 300
Boca Raton, Florida 33434
- (3) One copy to: Mr. Jeff Povlak
Federal Deposit Insurance Corporation
10 Tenth Street, N. E.
Suite 800
Atlanta, Georgia 30309-3906

05 JAN 13 AM 11:12

Also attached is a check that represents payment of the filing fees, charter tax and certified copies. If you have any questions, please call 410-9528.

ARTICLES OF INCORPORATION
OF
STONEGATE BANK

05 JAN 13 PM 11:13
FILED IN
CORPORATION

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>

Alan Robbins

1807 Victoria Pointe Circle, Weston, FL 33327

Robin Rodriguez

3333 Poinciana Ave., Coconut Grove, FL 33133

Gary Rotella

2833 N.E. 24th Cl., Ft. Lauderdale, FL 33305

David Seleski

440 S.E. 1st Terr., Pompano Beach, FL 33060

Robert Souaid

335 Old School Rd., Gulf Stream, FL 33483

John Tomlinson

756 Middle River Dr., Ft. Lauderdale, FL 33304

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
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 1:13

P05000007176

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

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(Document Number)

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06 MAY 16 PM 3:18
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Amend
3/2



DON B. SAXON
COMMISSIONER

OFFICE OF FINANCIAL REGULATION

FINANCIAL SERVICES
COMMISSION

JEB BUSH
GOVERNOR

TOM GALLAGHER
CHIEF FINANCIAL OFFICER

CHARLIE CRIST
ATTORNEY GENERAL

CHARLES BRONSON
COMMISSIONER OF
AGRICULTURE

May 12, 2006

Ms. Susan Payne
Senior Section Administrator
Florida Division of Corporations
409 East Gaines Street
Tallahassee, Florida 32399

Subject: Article Amendment - Stonegate Bank

Dear Ms. Payne:

Please file the enclosed amendment to the articles of incorporation of Stonegate Bank, Fort Lauderdale, Florida, at your earliest convenience. The distribution of the certified copies should be made as follows:

- (1) Return one copy to: Office of Financial Regulation
200 East Gaines Street
Tallahassee, Florida 32399-0371
- (2) Mail one copy to: Mr. Gerald W. Oliver
Senior Vice President
Director of Regulatory Affairs
Stonegate Bank
Post Office Box 4678
Fort Lauderdale, Florida 33338

Please do not hesitate to contact me should you have any questions. My direct telephone number is (850) 410-9543.

Sincerely,

J. Richard Moon, Jr.
Financial Control Analyst
Bureau of Banking

JRM/m

Enclosures

DIVISION OF FINANCIAL INSTITUTIONS
200 E. GAINES STREET, TALLAHASSEE, FL 32399-0371
TEL: (850) 410-9800 • FAX: (850) 410-9548

Affirmative Action: Equal Opportunity Employer

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

David Seleski
David Seleski, President

APPROVAL

Approved by the Florida Office of Financial Regulation the 11th day of

May, 2006.
{M2399105;1}

Linda B. Charity
Linda B. Charity
Director, Division of Financial Institutions

PD5000007176

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

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MAIL

(Business Entity Name)

(Document Number)

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06/04/10--01019--002 **\$2.50.

2010 JUL -2 A 8:48
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

FILED

*Amend
There
7-6-10*

**00789, 00520, 00671*



FLORIDA
OFFICE OF
FINANCIAL
REGULATION



J. THOMAS CARDWELL
COMMISSIONER

STREET ADDRESS: 101 East Gaines Street, Suite 636 • PHONE (850) 410-9800 • FAX (850) 410-9548
MAILING ADDRESS: Division of Financial Institutions, 200 East Gaines Street, Tallahassee, FL 32399-0371
VISIT US ON THE WEB: WWW.FLORIDA.OFR.COM • TOLL FREE: (800) 848-3792

July 1, 2010

VIA INTEROFFICE MAIL

Ms. Karen Gibson
Senior Section Administrator
Amendment Section
Florida Division of Corporations
Post Office Box 6327
Tallahassee, Florida 32314-6327

Dear Ms. Gibson:

Please file the enclosed amendment to the articles of incorporation for Stonegate Bank, Fort Lauderdale, Florida, at your earliest convenience. The distribution of the certified copies should be as follows:

- (1) Return one copy to: Division of Financial Institutions
Office of Financial Regulation (OFR)
200 East Gaines Street
Tallahassee, Florida 32399-0371
- (1) Return one copy to: Mr. Gerald Oliver
Director – Regulatory Affairs
Stonegate Bank
P.O. Box 4678
Fort Lauderdale, Florida 33338

A check for \$52.50, which represents the appropriate fee for filing and certified copies, was mailed to your office in May (copy enclosed). If you have any questions do not hesitate to contact me.

Sincerely,

Nancy Rae Kjelgaard
Financial Control Analyst
Bureau of Bank Regulation

NRK:nk
Enclosures (3)

FINANCIAL SERVICES COMMISSION

CHARLIE CRIST
GOVERNOR

BILL MCCOLLUM
ATTORNEY
GENERAL

ALEX SINK
CHIEF FINANCIAL
OFFICER

CHARLES BRONSON
COMMISSIONER OF
AGRICULTURE



FLORIDA DEPARTMENT OF STATE
Division of Corporations

June 8, 2010

Gerald W. Oliver
Stonegate Bank
P.O. Box 4678
Ft. Lauderdale, FL 33338

SUBJECT: STONEGATE BANK
Ref. Number: P05000007176

We have received your document for STONEGATE BANK and your check(s) totaling \$52.50. However, the enclosed document has not been filed and is being returned for the following correction(s):

Pursuant to section 655.043, Florida Statutes, a bank, trust company, or association may not amend its articles of incorporation without the written approval of the Office of Financial Regulation. Their address is :

Office of Financial Regulation
200 E. Gaines St.
Tallahassee, FL 32399-0371.

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 245-6907.

Annette Ramsey
Regulatory Specialist II

Letter Number: 210A00014113



May 28, 2010

Ms. Linda R. Townsend, Chief, Bank Regulation - Dist. II
Office of Financial Regulation
State of Florida
200 East Gains Street
Tallahassee, Florida 32399-0371

Dear Ms. Townsend:

Stonegate Bank desires to amend its articles of incorporation. The proposed amendment would increase the number of authorized but unissued common shares by 10,000,000, bring the total number of shares authorized to be issued from 10,000,000 to 20,000,000 and created a new class of authorized preferred shares equaling 4,000,000.

Enclose herewith please find:

- (i) Articles of Amendment to the Articles of Incorporation of Stonegate Bank dated May 6, 2010.
- (ii) A check in the amount of \$52.50 payable to the Secretary of State for the filing of the articles and issuance of two certified copies of the Articles of Amendment.

Thank you for your consideration of this matter.

Sincerely,

Gerald W. Oliver
Director - Regulatory Affairs

**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:

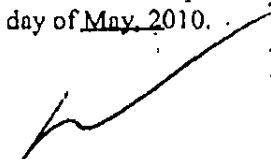
1. The name of the Corporation is Stonegate Bank.
2. Article III of the Corporation's Articles of Incorporation is hereby deleted in its entirety and a new Article III is inserted in its place, as follows:

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.

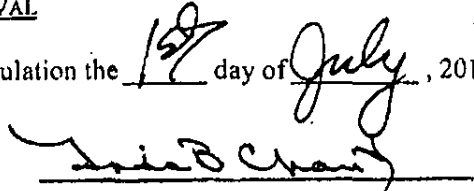
IN WITNESS WHEREOF, the undersigned President of the Corporation has executed the foregoing Articles of Amendment, this 6 day of May, 2010.



Dave Seleski, President

APPROVAL

Approved by the Florida Office of Financial Regulation the 12 day of July, 2010.



Linda B. Charity, Director

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Amend.
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DREW J. BREAKSPEAR
Commissioner

INTEROFFICE COMMUNICATION

DATE: August 8, 2013

TO: Michelle Milligan, Amendment Section
Florida Division of Corporations

FROM: Ben Brinkley, Financial Administrator
Bureau of Bank Regulation, District II
(850) 410-9504

SUBJECT: **Stonegate Bank, Fort Lauderdale, Florida**
(Amending Articles to Clarify the Board of Director's Authority Relative to
the Bank's Preferred Shares)

Please expedite the attached Amendment to the Articles of Incorporation for the above-referenced institution. A check for the applicable filing and certified copies fee (\$52.50) is attached. Should you have any issues, please contact Jeremy Glover at (850) 410-9535.

(1) One certified copy to: Ben F. Brinkley III
Office of Financial Regulation
Bureau of Bank Regulation, District II
200 E. Gaines Street
Tallahassee, FL 32399-0371

(1) One certified copy to: Gerald W. Oliver
Director - Regulatory Affairs
Stonegate Bank
Post Office Box 4678
Fort Lauderdale, FL 33338

FILED
13 AUG -9 PM 3:37
SECRETARY OF STATE
TALLAHASSEE, FLORIDA.

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

Pursuant to the provisions of Section 658.30 of the Florida Financial Institutions Code and Section 607.1006 of the Florida Business Corporation Act, Stonegate Bank, a Florida chartered commercial bank (the "Corporation"), hereby adopts the following Articles of Amendment to its Articles of Incorporation, as amended:

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

"ARTICLE III

The Corporation is authorized to issue 20,000,000 shares of common stock, \$5.00 par value per share. The Corporation is authorized to issue up to 4,000,000 shares of preferred stock ("Preferred Stock"), which shall constitute a separate and single class of shares that may be issued in one or more series.

The Board of Directors of the Corporation is vested with the authority to establish, in its discretion, the voting rights and other designations, preferences, rights, qualifications, limitations, and restrictions, if any, of each such series by the adoption and filing in accordance with the Act, before any such issuance of any shares of such series, of an amendment or amendments to these Articles of Incorporation determining the terms of such series, which amendment need not be approved by the shareholders or holders of any class or series of shares except as provided for by law. All shares of Preferred Stock of the same series shall be identical with each other in all respects."

3. Except as hereby amended, the Articles of Incorporation, as amended, shall remain the same.
4. These Articles of Amendment to the Corporation's Articles of Incorporation were recommended to the shareholders of the Corporation by the Board of Directors and were approved by the shareholders at a meeting of the shareholders held on May 6, 2010. The number of votes cast for the amendment was sufficient for approval.
5. These Articles of Amendment shall be effective upon filing with the Florida Department of State.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned President of the Corporation has executed the foregoing Articles of Amendment as of this ____ day of July 2013.



Dave Seleski, President

APPROVAL

Approved by the Florida Office of Financial Regulation this 7th day of August, 2013.



Robert Hayes, Director

**ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF
STONEGATE BANK
AUTHORIZING
SENIOR NON-CUMULATIVE PERPETUAL PREFERRED STOCK, SERIES A
OF
STONEGATE BANK**

Stonegate Bank, a commercial bank organized and existing under the laws of the State of Florida (the "Issuer"), in accordance with the provisions of Section 658.30 of the Florida Financial Institution Code (the "FFIC") and Section 607.0602 of the Florida Business Corporation Act (the "Act") thereof, does hereby certify:

The board of directors of the Issuer (the "Board of Directors") or an applicable committee of the Board of Directors, in accordance with the articles of incorporation and bylaws of the Issuer and applicable law, adopted the following resolution on August 8, 2013, creating a series of 12,750 shares of Preferred Stock of the Issuer designated as "Senior Non-Cumulative Perpetual Preferred Stock, Series A".

RESOLVED, that pursuant to the provisions of the articles of incorporation and the bylaws of the Issuer and applicable law, a series of Preferred Stock, par value \$5.00 per share, of the Issuer be and hereby is created, and that the designation and number of shares of such series, and the voting and other powers, preferences and relative, participating, optional or other rights, and the qualifications, limitations and restrictions thereof, of the shares of such series, are as follows:

Part 1. Designation and Number of Shares. There is hereby created out of the authorized and unissued shares of preferred stock of the Issuer a series of preferred stock designated as the "Senior Non-Cumulative Perpetual Preferred Stock, Series A" (the "Designated Preferred Stock"). The authorized number of shares of Designated Preferred Stock shall be 12,750.

Part 2. Standard Provisions. The Standard Provisions contained in Schedule A attached hereto are incorporated herein by reference in their entirety and shall be deemed to be a part of these articles of amendment to the same extent as if such provisions had been set forth in full herein.

Part 3. Definitions. The following terms are used in these articles of amendment (including the Standard Provisions in Schedule A hereto) as defined below:

(a) "Common Stock" means the common stock, par value \$5.00 per share, of the Issuer.

(b) "Definitive Agreement" means that certain Securities Purchase Agreement by and between Florida Shores Bancorp, Inc. and Treasury, dated as of August 18, 2011, which

was subsequently assumed by the Issuer pursuant to that certain Assignment and Assumption Agreement, by and between Issuer and Florida Shores Bancorp, Inc., dated as of the closing date of the merger transaction among Issuer, Florida Shores Bancorp, Inc., Florida Shores Bank – Southwest and Florida Shores Bank – Southeast.

(c) “Junior Stock” means the Common Stock, and any other class or series of stock of the Issuer the terms of which expressly provide that it ranks junior to Designated Preferred Stock as to dividend and redemption rights and/or as to rights on liquidation, dissolution or winding up of the Issuer.

(d) “Liquidation Amount” means \$1,000 per share of Designated Preferred Stock.

(e) “Minimum Amount” means (i) the amount equal to twenty-five percent (25%) of the aggregate Liquidation Amount of Designated Preferred Stock issued on the Original Issue Date or (ii) all of the outstanding Designated Preferred Stock, if the aggregate liquidation preference of the outstanding Designated Preferred Stock is less than the amount set forth in the preceding clause (i).

(f) “Parity Stock” means any class or series of stock of the Issuer (other than Designated Preferred Stock) the terms of which do not expressly provide that such class or series will rank senior or junior to Designated Preferred Stock as to dividend rights and/or as to rights on liquidation, dissolution or winding up of the Issuer (in each case without regard to whether dividends accrue cumulatively or non-cumulatively).

(g) “Signing Date” means August 18, 2011.

(h) “Treasury” means the United States Department of the Treasury and any successor in interest thereto.

Part 4. Certain Voting Matters. Holders of shares of Designated Preferred Stock will be entitled to one vote for each such share on any matter on which holders of Designated Preferred Stock are entitled to vote, including any action by written consent.

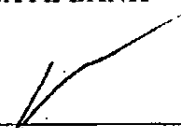
CERTIFICATE

The undersigned, being the duly elected and incumbent Chief Executive Officer of Stonegate Bank, hereby certifies that the foregoing Articles of Amendment to the Articles of Incorporation were duly adopted by the Board of Directors on August 8, 2013 without shareholder action, and that shareholder action was not required.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Stonegate Bank has caused these Articles of Amendment to the Articles of Incorporation to be signed by its Chief Executive Officer, this 13th day of January, 2013.

STONEGATE BANK

By: 
Name: David Seleski
Title: Chief Executive Officer

APPROVAL

Approved by the Florida Office of Financial Regulation this _____ day of January, 2014.

Name: _____
Title: _____

Schedule A

STANDARD PROVISIONS

Section 1. General Matters. Each share of Designated Preferred Stock shall be identical in all respects to every other share of Designated Preferred Stock. The Designated Preferred Stock shall be perpetual, subject to the provisions of Section 5 of these Standard Provisions that form a part of the Certificate of Designation. The Designated Preferred Stock shall rank equally with Parity Stock and shall rank senior to Junior Stock with respect to the payment of dividends and the distribution of assets in the event of any dissolution, liquidation or winding up of the Issuer, as set forth below.

Section 2. Standard Definitions. As used herein with respect to Designated Preferred Stock:

(a) "Acquiror," in any Holding Company Transaction, means the surviving or resulting entity or its ultimate parent in the case of a merger or consolidation or the transferee in the case of a sale, lease or other transfer in one transaction or a series of related transactions of all or substantially all of the consolidated assets of the Issuer and its subsidiaries, taken as a whole.

(b) "Affiliate" means, with respect to any person, any person directly or indirectly controlling, controlled by or under common control with, such other person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") when used with respect to any person, means the possession, directly or indirectly through one or more intermediaries, of the power to cause the direction of management and/or policies of such person, whether through the ownership of voting securities by contract or otherwise.

(c) "Applicable Dividend Rate" has the meaning set forth in Section 3(a).

(d) "Appropriate Federal Banking Agency" means the "appropriate Federal banking agency" with respect to the Issuer as defined in Section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. Section 1813(q)), or any successor provision.

(e) "Bank Holding Company" means a company registered as such with the Board of Governors of the Federal Reserve System pursuant to 12 U.S.C. §1842 and the regulations of the Board of Governors of the Federal Reserve System thereunder.

(f) "Baseline" means the "Initial Small Business Lending Baseline" set forth on the Initial Supplemental Report (as defined in the Definitive Agreement), subject to adjustment pursuant to Section 3(a).

(g) "Business Combination" means a merger, consolidation, statutory share exchange or similar transaction that requires the approval of the Issuer's stockholders.

(h) "Business Day" means any day except Saturday, Sunday and any day on which banking institutions in the State of New York or the District of Columbia generally are authorized or required by law or other governmental actions to close.

(i) "Bylaws" means the bylaws of the Issuer, as they may be amended from time to time.

(j) "Call Report" has the meaning set forth in the Definitive Agreement.

(k) "Certificate of Designation" means the Certificate of Designation or comparable instrument relating to the Designated Preferred Stock, of which these Standard Provisions form a part, as it may be amended from time to time.

(l) "Charge-Offs" means the net amount of loans charged off by the Issuer or, if the Issuer is a Bank Holding Company or a Savings and Loan Holding Company, by the IDI Subsidiary(ies) during quarters that begin on or after the Signing Date, determined as follows:

(i) if the Issuer or the applicable IDI Subsidiary is a bank, by subtracting (A) the aggregate dollar amount of recoveries reflected on line RIAD4605 of its Call Reports for such quarters from (B) the aggregate dollar amount of charge-offs reflected on line RIAD4635 of its Call Reports for such quarters (without duplication as a result of such dollar amounts being reported on a year-to-date basis); or

(ii) if the Issuer or the applicable IDI Subsidiary is a thrift, by subtracting (A) the sum of the aggregate dollar amount of recoveries reflected on line VA140 of its Call Reports for such quarters and the aggregate dollar amount of adjustments reflected on line VA150 of its Call Reports for such quarters from (B) the aggregate dollar amount of charge-offs reflected on line VA160 of its Call Reports for such quarters.

(m) "Charter" means the Issuer's certificate or articles of incorporation, articles of association, or similar organizational document.

(n) "CPP Lending Incentive Fee" has the meaning set forth in Section 3(e).

(o) "Current Period" has the meaning set forth in Section 3(a)(i)(2).

(p) "Dividend Payment Date" means January 1, April 1, July 1, and October 1 of each year.

(q) "Dividend Period" means the period from and including any Dividend Payment Date to, but excluding, the next Dividend Payment Date; *provided, however*, the initial Dividend Period shall be the period from and including the Original Issue Date to, but excluding, the next Dividend Payment Date (the "Initial Dividend Period").

(r) "Dividend Record Date" has the meaning set forth in Section 3(b).

3(a)(i)(2). (s) "Dividend Reference Period" has the meaning set forth in Section

States. (t) "GAAP" means generally accepted accounting principles in the United

7(c)(v). (u) "Holding Company Preferred Stock" has the meaning set forth in Section

(v) "Holding Company Transaction" means the occurrence of (a) any transaction (including, without limitation, any acquisition, merger or consolidation) the result of which is that a "person" or "group" within the meaning of Section 13(d) of the Securities Exchange Act of 1934, as amended, (i) becomes the direct or indirect ultimate "beneficial owner," as defined in Rule 13d-3 under that Act, of common equity of the Issuer representing more than 50% of the voting power of the outstanding Common Stock or (ii) is otherwise required to consolidate the Issuer for purposes of generally accepted accounting principles in the United States; or (b) any consolidation or merger of the Issuer or similar transaction or any sale, lease or other transfer in one transaction or a series of related transactions of all or substantially all of the consolidated assets of the Issuer and its subsidiaries, taken as a whole, to any Person other than one of the Issuer's subsidiaries; *provided* that, in the case of either clause (a) or (b), the Issuer or the Acquiror is or becomes a Bank Holding Company or Savings and Loan Holding Company.

(w) "IDI Subsidiary" means any Issuer Subsidiary that is an insured depository institution.

(x) "Increase in QSBL" means:

(i) with respect to the first (1st) Dividend Period, the difference obtained by subtracting (A) the Baseline from (B) QSBL set forth in the Initial Supplemental Report (as defined in the Definitive Agreement); and

(ii) with respect to each subsequent Dividend Period, the difference obtained by subtracting (A) the Baseline from (B) QSBL for the Dividend Reference Period for the Current Period.

(y) "Initial Dividend Period" has the meaning set forth in the definition of "Dividend Period".

(z) "Issuer Subsidiary" means any subsidiary of the Issuer.

(aa) "Liquidation Preference" has the meaning set forth in Section 4(a).

(bb) "Non-Qualifying Portion Percentage" means, with respect to any particular Dividend Period, the percentage obtained by subtracting the Qualifying Portion Percentage from one (1).

(cc) "Original Issue Date" means the date on which shares of Designated Preferred Stock were first issued by Florida Shores Bancorp, Inc on August 18, 2011.

(dd) "Percentage Change in QSBL" has the meaning set forth in Section 3(a)(ii).

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

(ff) "Preferred Director" has the meaning set forth in Section 7(c).

(gg) "Preferred Stock" means any and all series of preferred stock of the Issuer, including the Designated Preferred Stock.

(hh) "Previously Acquired Preferred Shares" has the meaning set forth in the Definitive Agreement.

(ii) "Private Capital" means, if the Issuer is Matching Private Investment Supported (as defined in the Definitive Agreement), the equity capital received by the Issuer or the applicable Affiliate of the Issuer from one or more non-governmental investors in accordance with Section 1.3(m) of the Definitive Agreement.

(ji) "Publicly-traded" means a company that (i) has a class of securities that is traded on a national securities exchange and (ii) is required to file periodic reports with either the Securities and Exchange Commission or its primary federal bank regulator.

(kk) "Qualified Small Business Lending" or "QSBL" means, with respect to any particular Dividend Period, the "Quarter-End Adjusted Qualified Small Business Lending" for such Dividend Period set forth in the applicable Supplemental Report.

(ll) "Qualifying Portion Percentage" means, with respect to any particular Dividend Period, the percentage obtained by dividing (i) the Increase in QSBL for such Dividend Period by (ii) the aggregate Liquidation Amount of then-outstanding Designated Preferred Stock.

(mm) "Savings and Loan Holding Company" means a company registered as such with the Office of Thrift Supervision pursuant to 12 U.S.C. §1467a(b) and the regulations of the Office of Thrift Supervision promulgated thereunder.

(nn) "Share Dilution Amount" means the increase in the number of diluted shares outstanding (determined in accordance with GAAP applied on a consistent basis, and as measured from the date of the Issuer's most recent consolidated financial statements prior to the Signing Date) resulting from the grant, vesting or exercise of equity-based compensation to employees and equitably adjusted for any stock split, stock dividend, reverse stock split, reclassification or similar transaction.

(oo) "Signing Date Tier 1 Capital Amount" means \$39,946,082.

(pp) "Standard Provisions" mean these Standard Provisions that form a part of the Certificate of Designation relating to the Designated Preferred Stock.

(qq) "Supplemental Report" means a Supplemental Report delivered by the Issuer to Treasury pursuant to the Definitive Agreement.

(rr) "Tier 1 Dividend Threshold" means, as of any particular date, the result of the following formula:

$$((A + B - C) * 0.9) - D$$

where:

A = Signing Date Tier 1 Capital Amount;

B = the aggregate Liquidation Amount of the Designated Preferred Stock issued to Treasury;

C = the aggregate amount of Charge-Offs since the Signing Date; and

D = (i) beginning on the first day of the eleventh (11th) Dividend Period, the amount equal to ten percent (10%) of the aggregate Liquidation Amount of the Designated Preferred Stock issued to Treasury as of the Effective Date (without regard to any redemptions of Designated Preferred Stock that may have occurred thereafter) for every one percent (1%) of positive Percentage Change in Qualified Small Business Lending between the ninth (9th) Dividend Period and the Baseline; and

(ii) zero (0) at all other times.

(ss) "Voting Parity Stock" means, with regard to any matter as to which the holders of Designated Preferred Stock are entitled to vote as specified in Section 7(d) of these Standard Provisions that form a part of the Certificate of Designation, any and all series of Parity Stock upon which like voting rights have been conferred and are exercisable with respect to such matter.

Section 3. Dividends.

(a) Rate.

(i) The "Applicable Dividend Rate" shall be determined as follows:

(1) With respect to the Initial Dividend Period, the Applicable Dividend Rate shall be one percent (1%).

- (2) With respect to each of the second (2nd) through the tenth (10th) Dividend Periods, inclusive (in each case, the "Current Period"), the Applicable Dividend Rate shall be:

(A) (x) the applicable rate set forth in column "A" of the table in Section 3(a)(iii), based on the Percentage Change in QSBL between the Dividend Period that was two Dividend Periods prior to the Current Period (the "Dividend Reference Period") and the Baseline, multiplied by (y) the Qualifying Portion Percentage; plus

(B) (x) five percent (5%) multiplied by (y) the Non-Qualifying Portion Percentage.

In each such case, the Applicable Dividend Rate shall be determined at the time the Issuer delivers a complete and accurate Supplemental Report to Treasury with respect to the Dividend Reference Period.

- (3) With respect to the eleventh (11th) through the eighteenth (18th) Dividend Periods, inclusive, and that portion of the nineteenth (19th) Dividend Period prior to, but not including, the four and one half (4½) year anniversary of the Original Issue Date, the Applicable Dividend Rate shall be:

(A) (x) the applicable rate set forth in column "B" of the table in Section 3(a)(iii), based on the Percentage Change in QSBL between the ninth (9th) Dividend Period and the Baseline, multiplied by (y) the Qualifying Portion Percentage, calculated as of the last day of the ninth (9th) Dividend Period; plus

(B) (x) five percent (5%) multiplied by (y) the Non-Qualifying Portion Percentage, calculated as of the last day of the ninth (9th) Dividend Period.

In such case, the Applicable Dividend Rate shall be determined at the time the Issuer delivers a complete and accurate Supplemental Report to Treasury with respect to the ninth (9th) Dividend Period.

- (4) With respect to (A) that portion of the nineteenth (19th) Dividend Period beginning on the four and one half (4½) year anniversary of the Original Issue Date and (B) all Dividend Periods thereafter, the Applicable Dividend Rate shall be nine percent (9%).
- (5) Notwithstanding anything herein to the contrary, if the Issuer fails to submit a Supplemental Report that is due during any of the second (2nd) through tenth (10th)

Dividend Periods on or before the sixtieth (60th) day of such Dividend Period, the Issuer's QSBL for the Dividend Period that would have been covered by such Supplemental Report shall be zero (0) for purposes hereof.

- (6) Notwithstanding anything herein to the contrary, but subject to Section 3(a)(i)(5) above, if the Issuer fails to submit the Supplemental Report that is due during the tenth (10th) Dividend Period, the Issuer's QSBL for the shall be zero (0) for purposes of calculating the Applicable Dividend Rate pursuant to Section 3(a)(i)(3) and (4). The Applicable Dividend Rate shall be re-determined effective as of the first day of the calendar quarter following the date such failure is remedied, provided it is remedied prior to the four and one half (4½) anniversary of the Original Issue Date.
- (7) Notwithstanding anything herein to the contrary, if the Issuer fails to submit any of the certificates required by Sections 3.1(d)(ii) or 3.1(d)(iii) of the Definitive Agreement when and as required thereby, the Issuer's QSBL shall be zero (0) for purposes of calculating the Applicable Dividend Rate pursuant to Section 3(a)(i)(2) or (3) above until such failure is remedied.

(ii) The "Percentage Change in Qualified Lending" between any given Dividend Period and the Baseline shall be the result of the following formula, expressed as a percentage:

$$\left(\frac{(\text{QSBL for the Dividend Period} - \text{Baseline})}{\text{Baseline}} \right) \times 100$$

(iii) The following table shall be used for determining the Applicable Dividend Rate:

If the Percentage Change in Qualified Lending is:	The Applicable Dividend Rate shall be:	
	Column "A" (each of the 2nd - 10th Dividend Periods)	Column "B" (11th - 18th, and the first part of the 19th, Dividend Periods)
0% or less	5%	7%
More than 0%, but less than 2.5%	5%	5%
2.5% or more, but less than 5%	4%	4%
5% or more, but less than 7.5%	3%	3%

7.5% or more, but less than 10%	2%	2%
10% or more	1%	1%

(iv) If the Issuer consummates a Business Combination, a purchase of loans or a purchase of participations in loans and the Designated Preferred Stock remains outstanding thereafter, then the Baseline shall thereafter be the "Quarter-End Adjusted Small Business Lending Baseline" set forth on the Quarterly Supplemental Report (as defined in the Definitive Agreement).

(b) Payment. Holders of Designated Preferred Stock shall be entitled to receive, on each share of Designated Preferred Stock if, as and when declared by the Board of Directors or any duly authorized committee of the Board of Directors, but only out of assets legally available therefor, non-cumulative cash dividends with respect to:

(i) each Dividend Period (other than the Initial Dividend Period) at a rate equal to one-fourth ($\frac{1}{4}$) of the Applicable Dividend Rate with respect to each Dividend Period on the Liquidation Amount per share of Designated Preferred Stock, and no more, payable quarterly in arrears on each Dividend Payment Date; and

(ii) the Initial Dividend Period, on the first such Dividend Payment Date to occur at least twenty (20) calendar days after the Original Issue Date, an amount equal to (A) the Applicable Dividend Rate with respect to the Initial Dividend Period multiplied by (B) the number of days from the Original Issue Date to the last day of the Initial Dividend Period (inclusive) divided by 360.

In the event that any Dividend Payment Date would otherwise fall on a day that is not a Business Day, the dividend payment due on that date will be postponed to the next day that is a Business Day and no additional dividends will accrue as a result of that postponement. For avoidance of doubt, "payable quarterly in arrears" means that, with respect to any particular Dividend Period, dividends begin accruing on the first day of such Dividend Period and are payable on the first day of the next Dividend Period.

The amount of dividends payable on Designated Preferred Stock on any date prior to the end of a Dividend Period, and for the initial Dividend Period, shall be computed on the basis of a 360-day year consisting of four 90-day quarters, and actual days elapsed over a 90-day quarter.

Dividends that are payable on Designated Preferred Stock on any Dividend Payment Date will be payable to holders of record of Designated Preferred Stock as they appear on the stock register of the Issuer on the applicable record date, which shall be the 15th calendar day immediately preceding such Dividend Payment Date or such other record date fixed by the Board of Directors or any duly authorized committee of the Board of Directors that is not more than 60 nor less than 10 days prior to such Dividend Payment Date (each, a "Dividend Record Date"). Any such day that is a Dividend Record Date shall be a Dividend Record Date whether or not such day is a Business Day.

Holders of Designated Preferred Stock shall not be entitled to any dividends, whether payable in cash, securities or other property, other than dividends (if any) declared and payable on Designated Preferred Stock as specified in this Section 3 (subject to the other provisions of the Certificate of Designation).

(c) Non-Cumulative. Dividends on shares of Designated Preferred Stock shall be non-cumulative. If the Board of Directors or any duly authorized committee of the Board of Directors does not declare a dividend on the Designated Preferred Stock in respect of any Dividend Period:

(i) the holders of Designated Preferred Stock shall have no right to receive any dividend for such Dividend Period, and the Issuer shall have no obligation to pay a dividend for such Dividend Period, whether or not dividends are declared for any subsequent Dividend Period with respect to the Designated Preferred Stock; and

(ii) the Issuer shall, within five (5) calendar days, deliver to the holders of the Designated Preferred Stock a written notice executed by the Chief Executive Officer and the Chief Financial Officer of the Issuer stating the Board of Directors' rationale for not declaring dividends.

(d) Priority of Dividends; Restrictions on Dividends.

(i) Subject to Sections 3(d)(ii), (iii) and (v) and any restrictions imposed by the Appropriate Federal Banking Agency or, if applicable, the Issuer's state bank supervisor (as defined in Section 3(r) of the Federal Deposit Insurance Act (12 U.S.C. § 1813(q)), so long as any share of Designated Preferred Stock remains outstanding, the Issuer may declare and pay dividends on the Common Stock, any other shares of Junior Stock, or Parity Stock, in each case only if (A) after giving effect to such dividend the Issuer's Tier 1 capital would be at least equal to the Tier 1 Dividend Threshold, and (B) full dividends on all outstanding shares of Designated Preferred Stock for the most recently completed Dividend Period have been or are contemporaneously declared and paid.

(ii) If a dividend is not declared and paid in full on the Designated Preferred Stock in respect of any Dividend Period, then from the last day of such Dividend Period until the last day of the third (3rd) Dividend Period immediately following it, no dividend or distribution shall be declared or paid on the Common Stock or any other shares of Junior Stock (other than dividends payable solely in shares of Common Stock) or Parity Stock; *provided, however*, that in any such Dividend Period in which a dividend is declared and paid on the Designated Preferred Stock, dividends may be paid on Parity Stock to the extent necessary to avoid any material breach of a covenant by which the Issuer is bound.

(iii) When dividends have not been declared and paid in full for an aggregate of four (4) Dividend Periods or more, and during such time the Issuer was not subject to a regulatory determination that prohibits the declaration and payment of dividends, the Issuer shall, within five (5) calendar days of each missed payment, deliver

to the holders of the Designated Preferred Stock a certificate executed by at least a majority of the Board of Directors stating that the Board of Directors used its best efforts to declare and pay such dividends in a manner consistent with (A) safe and sound banking practices and (B) the directors' fiduciary obligations.

(iv) Subject to the foregoing and Section 3(e) below and not otherwise, such dividends (payable in cash, securities or other property) as may be determined by the Board of Directors or any duly authorized committee of the Board of Directors may be declared and paid on any securities, including Common Stock and other Junior Stock, from time to time out of any funds legally available for such payment, and holders of Designated Preferred Stock shall not be entitled to participate in any such dividends.

(v) If the Issuer is not Publicly-Traded, then after the tenth (10th) anniversary of the Signing Date, so long as any share of Designated Preferred Stock remains outstanding, no dividend or distribution shall be declared or paid on the Common Stock or any other shares of Junior Stock (other than dividends payable solely in shares of Common Stock) or Parity Stock.

(e) Special Lending Incentive Fee Related to CPP. If Treasury held Previously Acquired Preferred Shares immediately prior to the Original Issue Date and the Issuer did not apply to Treasury to redeem such Previously Acquired Preferred Shares prior to December 16, 2010, and if the Issuer's Supplemental Report with respect to the ninth (9th) Dividend Period reflects an amount of Qualified Small Business Lending that is less than or equal to the Baseline (or if the Issuer fails to timely file a Supplemental Report with respect to the ninth (9th) Dividend Period), then beginning on none and on all Dividend Payment Dates thereafter ending on none the Issuer shall pay to the Holders of Designated Preferred Stock, on each share of Designated Preferred Stock, but only out of assets legally available therefor, a fee equal to 0.5% of the Liquidation Amount per share of Designated Preferred Stock ("CPP Lending Incentive Fee"). All references in Section 3(d) to "dividends" on the Designated Preferred Stock shall be deemed to include the CPP Lending Incentive Fee.

Section 4. Liquidation Rights.

(a) Voluntary or Involuntary Liquidation. In the event of any liquidation, dissolution or winding up of the affairs of the Issuer, whether voluntary or involuntary, holders of Designated Preferred Stock shall be entitled to receive for each share of Designated Preferred Stock, out of the assets of the Issuer or proceeds thereof (whether capital or surplus) available for distribution to stockholders of the Issuer, subject to the rights of any creditors of the Issuer, before any distribution of such assets or proceeds is made to or set aside for the holders of Common Stock and any other stock of the Issuer ranking junior to Designated Preferred Stock as to such distribution, payment in full in an amount equal to the sum of (i) the Liquidation Amount per share and (ii) the amount of any accrued and unpaid dividends on each such share (such amounts collectively, the "Liquidation Preference").

(b) Partial Payment. If in any distribution described in Section 4(a) above the assets of the Issuer or proceeds thereof are not sufficient to pay in full the amounts payable with respect to all outstanding shares of Designated Preferred Stock and the corresponding amounts

payable with respect of any other stock of the Issuer ranking equally with Designated Preferred Stock as to such distribution, holders of Designated Preferred Stock and the holders of such other stock shall share ratably in any such distribution in proportion to the full respective distributions to which they are entitled.

(c) Residual Distributions. If the Liquidation Preference has been paid in full to all holders of Designated Preferred Stock and the corresponding amounts payable with respect of any other stock of the Issuer ranking equally with Designated Preferred Stock as to such distribution has been paid in full, the holders of other stock of the Issuer shall be entitled to receive all remaining assets of the Issuer (or proceeds thereof) according to their respective rights and preferences.

(d) Merger, Consolidation and Sale of Assets Is Not Liquidation. For purposes of this Section 4, the merger or consolidation of the Issuer with any other corporation or other entity, including a merger or consolidation in which the holders of Designated Preferred Stock receive cash, securities or other property for their shares, or the sale, lease or exchange (for cash, securities or other property) of all or substantially all of the assets of the Issuer, shall not constitute a liquidation, dissolution or winding up of the Issuer.

Section 5. Redemption.

(a) Optional Redemption.

(i) Subject to the other provisions of this Section 5:

- (1) The Issuer, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, in whole or in part, at any time and from time to time, out of funds legally available therefor, the shares of Designated Preferred Stock at the time outstanding; and
- (2) If, after the Signing Date, there is a change in law that modifies the terms of Treasury's investment in the Designated Preferred Stock or the terms of Treasury's Small Business Lending Fund program in a materially adverse respect for the Issuer, the Issuer may, after consultation with the Appropriate Federal Banking Agency, redeem all of the shares of Designated Preferred Stock at the time outstanding.

(ii) The per-share redemption price for shares of Designated Preferred Stock shall be equal to the sum of:

- (1) the Liquidation Amount per share,
- (2) the per-share amount of any unpaid dividends for the then current Dividend Period at the Applicable Dividend Rate to, but excluding, the date fixed for redemption (regardless

of whether any dividends are actually declared for that Dividend Period; and

- (3) the pro rata amount of CPP Lending Incentive Fees for the current Dividend Period.

The redemption price for any shares of Designated Preferred Stock shall be payable on the redemption date to the holder of such shares against surrender of the certificate(s) evidencing such shares to the Issuer or its agent. Any declared but unpaid dividends for the then current Dividend Period payable on a redemption date that occurs subsequent to the Dividend Record Date for a Dividend Period shall not be paid to the holder entitled to receive the redemption price on the redemption date, but rather shall be paid to the holder of record of the redeemed shares on such Dividend Record Date relating to the Dividend Payment Date as provided in Section 3 above.

(b) No Sinking Fund. The Designated Preferred Stock will not be subject to any mandatory redemption, sinking fund or other similar provisions. Holders of Designated Preferred Stock will have no right to require redemption or repurchase of any shares of Designated Preferred Stock.

(c) Notice of Redemption. Notice of every redemption of shares of Designated Preferred Stock shall be given by first class mail, postage prepaid, addressed to the holders of record of the shares to be redeemed at their respective last addresses appearing on the books of the Issuer. Such mailing shall be at least 30 days and not more than 60 days before the date fixed for redemption. Any notice mailed as provided in this Subsection shall be conclusively presumed to have been duly given, whether or not the holder receives such notice, but failure duly to give such notice by mail, or any defect in such notice or in the mailing thereof, to any holder of shares of Designated Preferred Stock designated for redemption shall not affect the validity of the proceedings for the redemption of any other shares of Designated Preferred Stock. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Company or any other similar facility, notice of redemption may be given to the holders of Designated Preferred Stock at such time and in any manner permitted by such facility. Each notice of redemption given to a holder shall state: (1) the redemption date; (2) the number of shares of Designated Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder; (3) the redemption price; and (4) the place or places where certificates for such shares are to be surrendered for payment of the redemption price.

(d) Partial Redemption. In case of any redemption of part of the shares of Designated Preferred Stock at the time outstanding, the shares to be redeemed shall be selected either *pro rata* or in such other manner as the Board of Directors or a duly authorized committee thereof may determine to be fair and equitable, but in any event the shares to be redeemed shall not be less than the Minimum Amount. Subject to the provisions hereof, the Board of Directors or a duly authorized committee thereof shall have full power and authority to prescribe the terms and conditions upon which shares of Designated Preferred Stock shall be redeemed from time to time, subject to the approval of the Appropriate Federal Banking Agency. If fewer than all the

shares represented by any certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without charge to the holder thereof.

(e) Effectiveness of Redemption. If notice of redemption has been duly given and if on or before the redemption date specified in the notice all funds necessary for the redemption have been deposited by the Issuer, in trust for the *pro rata* benefit of the holders of the shares called for redemption, with a bank or trust company doing business in the Borough of Manhattan, The City of New York, and having a capital and surplus of at least \$500 million and selected by the Board of Directors, so as to be and continue to be available solely therefor, then, notwithstanding that any certificate for any share so called for redemption has not been surrendered for cancellation, on and after the redemption date dividends shall cease to accrue on all shares so called for redemption, all shares so called for redemption shall no longer be deemed outstanding and all rights with respect to such shares shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive the amount payable on such redemption from such bank or trust company, without interest. Any funds unclaimed at the end of three years from the redemption date shall, to the extent permitted by law, be released to the Issuer; after which time the holders of the shares so called for redemption shall look only to the Issuer for payment of the redemption price of such shares.

(f) Status of Redeemed Shares. Shares of Designated Preferred Stock that are redeemed, repurchased or otherwise acquired by the Issuer shall revert to authorized but unissued shares of Preferred Stock (*provided* that any such cancelled shares of Designated Preferred Stock may be reissued only as shares of any series of Preferred Stock other than Designated Preferred Stock).

Section 6. Conversion. Holders of Designated Preferred Stock shares shall have no right to exchange or convert such shares into any other securities.

Section 7. Voting Rights.

(a) General. The holders of Designated Preferred Stock shall not have any voting rights except as set forth below or as otherwise from time to time required by law.

(b) Board Observation Rights. Whenever, at any time or times, dividends on the shares of Designated Preferred Stock have not been declared and paid in full within five (5) Business Days after each Dividend Payment Date for an aggregate of five (5) Dividend Periods or more, whether or not consecutive, the Issuer shall invite a representative selected by the holders of a majority of the outstanding shares of Designated Preferred Stock, voting as a single class, to attend all meetings of its Board of Directors in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors in connection with such meetings; *provided*, that the holders of the Designated Preferred Stock shall not be obligated to select such a representative, nor shall such representative, if selected, be obligated to attend any meeting to which he/she is invited. The rights of the holders of the Designated Preferred Stock set forth in this Section 7(b) shall terminate when full dividends have been timely paid on the Designated Preferred Stock for at least four consecutive Dividend Periods, subject to revesting in the event of each and every subsequent default of the character above mentioned.

(c) Preferred Stock Directors. Whenever, at any time or times, (i) dividends on the shares of Designated Preferred Stock have not been declared and paid in full within five (5) Business Days after each Dividend Payment Date for an aggregate of six (6) Dividend Periods or more, whether or not consecutive, and (ii) the aggregate liquidation preference of the then-outstanding shares of Designated Preferred Stock is greater than or equal to \$25,000,000, the authorized number of directors of the Issuer shall automatically be increased by two and the holders of the Designated Preferred Stock, voting as a single class, shall have the right, but not the obligation, to elect two directors (hereinafter the "Preferred Directors" and each a "Preferred Director") to fill such newly created directorships at the Issuer's next annual meeting of stockholders (or, if the next annual meeting is not yet scheduled or is scheduled to occur more than thirty days later, the President of the Company shall promptly call a special meeting for that purpose) and at each subsequent annual meeting of stockholders until full dividends have been timely paid on the Designated Preferred Stock for at least four consecutive Dividend Periods, at which time such right shall terminate with respect to the Designated Preferred Stock, except as herein or by law expressly provided, subject to revesting in the event of each and every subsequent default of the character above mentioned; *provided* that it shall be a qualification for election for any Preferred Director that the election of such Preferred Director shall not cause the Issuer to violate any corporate governance requirements of any securities exchange or other trading facility on which securities of the Issuer may then be listed or traded that listed or traded companies must have a majority of independent directors. Upon any termination of the right of the holders of shares of Designated Preferred Stock to vote for directors as provided above, the Preferred Directors shall cease to be qualified as directors, the term of office of all Preferred Directors then in office shall terminate immediately and the authorized number of directors shall be reduced by the number of Preferred Directors elected pursuant hereto. Any Preferred Director may be removed at any time, with or without cause, and any vacancy created thereby may be filled, only by the affirmative vote of the holders a majority of the shares of Designated Preferred Stock at the time outstanding voting separately as a class. If the office of any Preferred Director becomes vacant for any reason other than removal from office as aforesaid, the holders of a majority of the outstanding shares of Designated Preferred Stock, voting as a single class, may choose a successor who shall hold office for the unexpired term in respect of which such vacancy occurred.

(d) Class Voting Rights as to Particular Matters. So long as any shares of Designated Preferred Stock are outstanding, in addition to any other vote or consent of stockholders required by law or by the Charter, the written consent of (x) Treasury if Treasury holds any shares of Designated Preferred Stock, or (y) the holders of a majority of the outstanding shares of Designated Preferred Stock, voting as a single class, if Treasury does not hold any shares of Designated Preferred Stock, shall be necessary for effecting or validating:

(i) Authorization of Senior Stock. Any amendment or alteration of the Certificate of Designation for the Designated Preferred Stock or the Charter to authorize or create or increase the authorized amount of, or any issuance of, any shares of, or any securities convertible into or exchangeable or exercisable for shares of, any class or series of capital stock of the Issuer ranking senior to Designated Preferred Stock with respect to either or both the payment of dividends and/or the distribution of assets on any liquidation, dissolution or winding up of the Issuer;

(ii) Amendment of Designated Preferred Stock. Any amendment, alteration or repeal of any provision of the Certificate of Designation for the Designated Preferred Stock or the Charter (including, unless no vote on such merger or consolidation is required by Section 7(d)(iii) below, any amendment, alteration or repeal by means of a merger, consolidation or otherwise) so as to adversely affect the rights, preferences, privileges or voting powers of the Designated Preferred Stock;

(iii) Share Exchanges, Reclassifications, Mergers and Consolidations. Subject to Section 7(d)(v) below, any consummation of a binding share exchange or reclassification involving the Designated Preferred Stock, or of a merger or consolidation of the Issuer with another corporation or other entity, unless in each case (x) the shares of Designated Preferred Stock remain outstanding or, in the case of any such merger or consolidation with respect to which the Issuer is not the surviving or resulting entity, are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (y) such shares remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, and limitations and restrictions thereof that are the same as the rights, preferences, privileges and voting powers, and limitations and restrictions thereof, of Designated Preferred Stock immediately prior to such consummation, taken as a whole; provided, that in all cases, the obligations of the Issuer are assumed (by operation of law or by express written assumption) by the resulting entity or its ultimate parent;

(iv) Certain Asset Sales. Any sale of all, substantially all, or any material portion of, the assets of the Company, if the Designated Preferred Stock will not be redeemed in full contemporaneously with the consummation of such sale; and

(v) Holding Company Transactions. Any consummation of a Holding Company Transaction, unless as a result of the Holding Company Transaction each share of Designated Preferred Stock shall be converted into or exchanged for one share with an equal liquidation preference of preference securities of the Issuer or the Acquiror (the "Holding Company Preferred Stock"). Any such Holding Company Preferred Stock shall entitle holders thereof to dividends from the date of issuance of such Holding Company Preferred Stock on terms that are equivalent to the terms set forth herein, and shall have such other rights, preferences, privileges and voting powers, and limitations and restrictions thereof that are the same as the rights, preferences, privileges and voting powers, and limitations and restrictions thereof, of Designated Preferred Stock immediately prior to such conversion or exchange, taken as a whole;

provided, however, that for all purposes of this Section 7(d), any increase in the amount of the authorized Preferred Stock, including any increase in the authorized amount of Designated Preferred Stock necessary to satisfy preemptive or similar rights granted by the Issuer to other persons prior to the Signing Date, or the creation and issuance, or an increase in the authorized or issued amount, whether pursuant to preemptive or similar rights or otherwise, of any other series of Preferred Stock, or any securities convertible into or exchangeable or exercisable for any other series of Preferred Stock, ranking equally with and/or junior to Designated Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and the distribution of assets upon liquidation, dissolution or winding up of the Issuer will not be

deemed to adversely affect the rights, preferences, privileges or voting powers, and shall not require the affirmative vote or consent of, the holders of outstanding shares of the Designated Preferred Stock.

(e) Changes after Provision for Redemption. No vote or consent of the holders of Designated Preferred Stock shall be required pursuant to Section 7(d) above if, at or prior to the time when any such vote or consent would otherwise be required pursuant to such Section, all outstanding shares of the Designated Preferred Stock shall have been redeemed, or shall have been called for redemption upon proper notice and sufficient funds shall have been deposited in trust for such redemption, in each case pursuant to Section 5 above.

(f) Procedures for Voting and Consents. The rules and procedures for calling and conducting any meeting of the holders of Designated Preferred Stock (including, without limitation, the fixing of a record date in connection therewith), the solicitation and use of proxies at such a meeting, the obtaining of written consents and any other aspect or matter with regard to such a meeting or such consents shall be governed by any rules of the Board of Directors or any duly authorized committee of the Board of Directors, in its discretion, may adopt from time to time, which rules and procedures shall conform to the requirements of the Charter, the Bylaws, and applicable law and the rules of any national securities exchange or other trading facility on which Designated Preferred Stock is listed or traded at the time.

Section 8. Restriction on Redemptions and Repurchases.

(a) Subject to Sections 8(b) and (c), so long as any share of Designated Preferred Stock remains outstanding, the Issuer may repurchase or redeem any shares of Capital Stock (as defined below), in each case only if (i) after giving effect to such dividend, repurchase or redemption, the Issuer's Tier 1 capital would be at least equal to the Tier 1 Dividend Threshold and (ii) dividends on all outstanding shares of Designated Preferred Stock for the most recently completed Dividend Period have been or are contemporaneously declared and paid (or have been declared and a sum sufficient for the payment thereof has been set aside for the benefit of the holders of shares of Designated Preferred Stock on the applicable record date).

(b) If a dividend is not declared and paid on the Designated Preferred Stock in respect of any Dividend Period, then from the last day of such Dividend Period until the last day of the third (3rd) Dividend Period immediately following it, neither the Issuer nor any Issuer Subsidiary shall, redeem, purchase or acquire any shares of Common Stock, Junior Stock, Parity Stock or other capital stock or other equity securities of any kind of the Issuer or any Issuer Subsidiary, or any trust preferred securities issued by the Issuer or any Affiliate of the Issuer ("Capital Stock"), (other than (i) redemptions, purchases, repurchases or other acquisitions of the Designated Preferred Stock and (ii) repurchases of Junior Stock or Common Stock in connection with the administration of any employee benefit plan in the ordinary course of business (including purchases to offset any Share Dilution Amount pursuant to a publicly announced repurchase plan) and consistent with past practice; *provided* that any purchases to offset the Share Dilution Amount shall in no event exceed the Share Dilution Amount, (iii) the acquisition by the Issuer or any of the Issuer Subsidiaries of record ownership in Junior Stock or Parity Stock for the beneficial ownership of any other persons (other than the Issuer or any other Issuer Subsidiary), including as trustees or custodians, (iv) the exchange or conversion of Junior Stock

for or into other Junior Stock or of Parity Stock or trust preferred securities for or into other Parity Stock (with the same or lesser aggregate liquidation amount) or Junior Stock, in each case set forth in this clause (iv), solely to the extent required pursuant to binding contractual agreements entered into by Florida Shores Bancorp, Inc. prior to the Signing Date or any subsequent agreement for the accelerated exercise, settlement or exchange thereof for Common Stock, (v) redemptions of securities held by the Issuer or any wholly-owned Issuer Subsidiary or (vi) redemptions, purchases or other acquisitions of capital stock or other equity securities of any kind of any Issuer Subsidiary required pursuant to binding contractual agreements entered into prior to (x) if Treasury held Previously Acquired Preferred Shares immediately prior to the Original Issue Date, the original issue date of such Previously Acquired Preferred Shares, or (y) otherwise, the Signing Date).

(c) If the Issuer is not Publicly-Traded, then after the tenth (10th) anniversary of the Signing Date, so long as any share of Designated Preferred Stock remains outstanding, no Common Stock, Junior Stock or Parity Stock shall be, directly or indirectly, purchased, redeemed or otherwise acquired for consideration by the Issuer or any of its subsidiaries.

Section 9. No Preemptive Rights. No share of Designated Preferred Stock shall have any rights of preemption whatsoever as to any securities of the Issuer, or any warrants, rights or options issued or granted with respect thereto, regardless of how such securities, or such warrants, rights or options, may be designated, issued or granted.

Section 10. References to Line Items of Supplemental Reports. If Treasury modifies the form of Supplemental Report, pursuant to its rights under the Definitive Agreement, and any such modification includes a change to the caption or number of any line item on the Supplemental Report, then any reference herein to such line item shall thereafter be a reference to such re-captioned or re-numbered line item.

Section 11. Record Holders. To the fullest extent permitted by applicable law, the Issuer and the transfer agent for Designated Preferred Stock may deem and treat the record holder of any share of Designated Preferred Stock as the true and lawful owner thereof for all purposes, and neither the Issuer nor such transfer agent shall be affected by any notice to the contrary.

Section 12. Notices. All notices or communications in respect of Designated Preferred Stock shall be sufficiently given if given in writing and delivered in person or by first class mail, postage prepaid, or if given in such other manner as may be permitted in this Certificate of Designation, in the Charter or Bylaws or by applicable law. Notwithstanding the foregoing, if shares of Designated Preferred Stock are issued in book-entry form through The Depository Trust Company or any similar facility, such notices may be given to the holders of Designated Preferred Stock in any manner permitted by such facility.

Section 13. Replacement Certificates. The Issuer shall replace any mutilated certificate at the holder's expense upon surrender of that certificate to the Issuer. The Issuer shall replace certificates that become destroyed, stolen or lost at the holder's expense upon delivery to the Issuer of reasonably satisfactory evidence that the certificate has been destroyed, stolen or lost, together with any indemnity that may be reasonably required by the Issuer.

Section 14. Other Rights. The shares of Designated Preferred Stock shall not have any rights, preferences, privileges or voting powers or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or in the Charter or as provided by applicable law.