

Florida Department of State Division of Corporations Electronic Filing Cover Sheet

Note: Please print this page and use it as a cover sheet. Type the fax audit number (shown below) on the top and bottom of all pages of the document.

((H12000186059 3)))



H120001860593ABC%

Note: DO NOT hit the REFRESH/RELOAD button on your browser from this page. Doing so will generate another cover sheet.

To:

Division of Corporations
Fax Number : (850) 617-6380

From:

Account Name : C T CORPORATION SYSTEM
Account Number : FCA000000023
Phone : (850) 222-1092
Fax Number : (850) 878-5368

****Enter the email address for this business entity to be used for future annual report mailings. Enter only one email address please.****

Email Address: _____

MERGER OR SHARE EXCHANGE

Community Bancshares of Mississippi, Inc.

Certificate of Status	0
Certified Copy	0
Page Count	09
Estimated Charge	\$70.00

Please
file
2nd

Electronic Filing Menu

Corporate Filing Menu

Help

FILED
2012 JUL 19 PM 2:37
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Articles of Merger
For
Florida Profit or Non-Profit Corporation

The following Articles of Merger are submitted to merge the following Florida Profit and/or Non-Profit Corporation(s) in accordance with s. 607.1109 or 617.0302, Florida Statutes.

FIRST: The exact name, form/entity type, and jurisdiction for each merging party are as follows:

<u>Name</u>	<u>Jurisdiction</u>	<u>Form/Entity Type</u>
Community Holding Company of Florida, Inc.	Florida	Corporation
_____	_____	_____
_____	_____	_____
_____	_____	_____

SECOND: The exact name, form/entity type, and jurisdiction of the surviving party are as follows:

<u>Name</u>	<u>Jurisdiction</u>	<u>Form/Entity Type</u>
Community Bancshares of Mississippi, Inc.	Mississippi	Corporation

THIRD: The attached plan of merger was approved by each domestic corporation, limited liability company, partnership and/or limited partnership that is a party to the merger in accordance with the applicable provisions of Chapters 607, 608, 617, and/or 620, Florida Statutes.

FOURTH: The attached plan of merger was approved by each other business entity that is a party to the merger in accordance with the applicable laws of the state, country or jurisdiction under which such other business entity is formed, organized or incorporated.

FIFTH: If other than the date of filing, the effective date of the merger, which cannot be prior to nor more than 90 days after the date this document is filed by the Florida Department of State:

July 19, 2012 at 6:01 p.m. Eastern Time

SIXTH: If the surviving party is not formed, organized or incorporated under the laws of Florida, the survivor's principal office address in its home state, country or jurisdiction is as follows:

1255 West Government Street

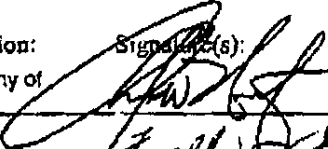
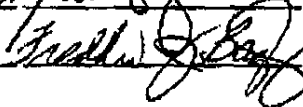
Brandon, MS 39042

SEVENTH: If the surviving party is an out-of-state entity, the surviving entity:

a.) Appoints the Florida Secretary of State as its agent for service of process in a proceeding to enforce any obligation or the rights of dissenting shareholders of each domestic corporation that is party to the merger.

b.) Agrees to promptly pay the dissenting shareholders of each domestic corporation that is a party to the merger the amount, if any, to which they are entitled under s. 607.1302, F.S.

EIGHTH: Signature(s) for Each Party:

Name of Entity/Organization:	Signature(s):	Typed or Printed Name of Individual:
Community Holding Company of Florida, Inc.		Charles W. Nicholson, Jr. President and CEO
Community Bancshares of Mississippi, Inc.		Freddie J. Bagley, President

Corporations:	Chairman, Vice Chairman, President or Officer (If no directors selected, signature of incorporator.)
General Partnerships:	Signature of a general partner or authorized person
Florida Limited Partnerships:	Signatures of all general partners
Non-Florida Limited Partnerships:	Signature of a general partner
Limited Liability Companies:	Signature of a member or authorized representative

Fees: \$35.00 Per Party

Certified Copy (optional): \$8.75

AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER (this "Merger Agreement"), is made as of July 13, 2012, by and between Community Holding Company of Florida, Inc. ("Florida BHC") and Community Bancshares of Mississippi, Inc. ("Mississippi BHC").

RECITALS

WHEREAS, Mississippi BHC and Florida BHC are parties to that certain Agreement and Plan of Reorganization dated as of May 3, 2012, as amended by the First Amendment to the Agreement and Plan of Reorganization, dated May 17, 2012 (collectively, the "Reorganization Agreement") (terms with their initial letters capitalized and not otherwise defined in this Merger Agreement have the meanings given to them in the Reorganization Agreement);

WHEREAS, pursuant to the Reorganization Agreement, Florida BHC will be merged into a wholly-owned subsidiary of Mississippi BHC with Florida BHC surviving the merger, and immediately thereafter, Florida BHC will be merged with and into Mississippi BHC with Mississippi BHC surviving the merger;

WHEREAS, as a result of the mergers, Mississippi BHC will acquire 100% of the common stock of Community Bank, Destin;

WHEREAS, at the Effective Time (defined below), Mississippi BHC will own 100% of the issued and outstanding shares of common stock of Florida BHC ("Florida BHC Common Stock"); and

WHEREAS, the Boards of Directors of Mississippi BHC and Florida BHC, pursuant to the authority given by and in accordance with the provisions of the Mississippi Business Corporation Act ("MBCA") and the Florida Business Corporation Act (the "FBCA") have approved this Merger Agreement and have authorized the execution hereof.

AGREEMENT

NOW, THEREFORE, Mississippi BHC and Florida BHC hereby agree that Florida BHC is to be merged with and into Mississippi BHC on the following terms and conditions:

1. Merger of Mississippi BHC and Florida BHC. At the Effective Time (as defined in Section 12), Florida BHC will be merged with and into Mississippi BHC in accordance with Section 79-4-11.02 of the MBCA and Section 607.1107 of the FBCA. Mississippi BHC will be the surviving corporation in the Merger (the "Surviving Corporation") and will continue its corporate existence under the MBCA. At the Effective Time, the separate corporate existence of Florida BHC will cease.
2. Effects of the Merger. The Merger will have the effects set forth in Section 79-4-11.07 of the MBCA and Section 607.11101 of the FBCA. The name of the Surviving Corporation will be "Community Bancshares of Mississippi, Inc."
3. Articles of Incorporation and Bylaws. The Articles of Incorporation and Bylaws of Mississippi BHC, as in effect immediately before the Effective Time, will be the Articles of Incorporation and Bylaws of the Surviving Corporation until thereafter changed or amended as provided therein or by applicable law.

4. Directors and Officers. The directors and officers, respectively, of Mississippi BHC at the Effective Time will remain the directors and officers of the Surviving Corporation and will hold office from the Effective Time until their respective successors are duly elected or appointed and qualified in the manner provided in the Articles of Incorporation and Bylaws of the Surviving Corporation or as otherwise provided by law.

5. Conversion of Securities. At the Effective Time by virtue of this Merger Agreement and without any further action on the part of any holder, (a) all shares of Florida BHC Common Stock will be canceled without consideration, (b) each share of the "Fixed Rate Cumulative Perpetual Preferred Stock, Series UST" of Florida BHC issued and outstanding immediately prior to the Effective Time shall no longer be outstanding and shall as of the Effective Time automatically be converted into, and shall thereafter represent the right to receive, one-tenth of one share of a class of preferred stock issued by Mississippi BHC designated as "Fixed Rate Cumulative Perpetual Preferred Stock, Class B Nonvoting, Series UST-1," and (c) each share of the "Fixed Rate Cumulative Perpetual Preferred Stock, Series UST/W" of Florida BHC issued and outstanding immediately prior to the Effective Time shall no longer be outstanding and shall as of the Effective Time automatically be converted into, and shall thereafter represent the right to receive, one share of a class of preferred stock issued by Mississippi BHC designated as "Fixed Rate Cumulative Perpetual Preferred Stock, Class B Nonvoting, Series UST/W-1."

6. Shareholder Approval. This Merger Agreement is to be submitted to Mississippi BHC, as the sole shareholder of the Florida BHC Common Stock immediately prior to the Effective Time, for approval via a written consent in lieu of a shareholders' meeting. In addition, this Merger Agreement is to be submitted to the United States Department of the Treasury, as the sole shareholder of the TARP Preferred Shares immediately prior to the Effective Time, for approval via a written consent in lieu of a shareholders' meeting. Upon approval by the requisite vote of the shareholders, this Merger Agreement will be made effective as soon as practicable thereafter in the manner provided in Section 12 of this Merger Agreement.

7. Conditions to Completion of the Merger. Completion of the Merger as provided herein is conditioned upon the satisfaction of the conditions set forth in the Reorganization Agreement, any or all of which may be waived in accordance with the terms and provisions of the Reorganization Agreement.

8. Termination. This Merger Agreement may be terminated and abandoned at any time before the Effective Time, whether before or after action thereon by the shareholders of Florida BHC, pursuant to the Reorganization Agreement.

9. Effect of Termination. If this Merger Agreement is terminated, liability by reason of this Merger Agreement or the termination thereof on the part of any of Mississippi BHC, Florida BHC, or the directors, officers, employees, agents or shareholders of either of them is to be determined pursuant to the Reorganization Agreement.

10. Representations and Warranties of Florida BHC. Florida BHC is a corporation, duly organized, validly existing and in good standing under the laws of the State of Florida. Florida BHC has all requisite corporate power and authority (including all licenses, franchises, permits and other governmental authorizations as are legally required) to carry on its business as now being conducted, to own, lease and operate its properties and assets as now owned, leased or operated and to enter into and carry out its obligations under this Merger Agreement.

11. Waiver, Amendment. Any of the terms or conditions of this Merger Agreement may be waived at any time, whether before or after action thereon by the shareholders of Florida BHC by the party that is entitled to the benefits thereof. This Merger Agreement may be amended at any time before

the Effective Time, whether before or after action thereon by the shareholders of Florida BHC, by Mississippi BHC and Florida BHC; but no amendment may be made to this Merger Agreement after action by the shareholders of Florida BHC that affects the value of the consideration to be received by the shareholders of Florida BHC specified in Section 5 of this Merger Agreement or that materially and adversely affects the rights of Florida BHC's shareholders under this Merger Agreement without the requisite approval of such shareholders. Any waiver or amendment must be in writing.

12. Effective Time. The Merger will become effective at such time as Articles of Merger prescribed by Section 79-4-11.06 of the MBCA and Section 607.1109 of the FBCA (collectively, the "Articles of Merger") are duly filed with the Mississippi Secretary of State and Florida Department of State, or at such later date or time as Mississippi BHC and Florida BHC agree and specify in the Articles of Merger (such time being referred to herein as the "Effective Time").

13. Multiple Counterparts. For the convenience of the parties hereto, this Merger Agreement may be executed in multiple counterparts, each of which will be deemed an original, and all counterparts hereof so executed by the parties hereto, whether or not such counterpart will bear the execution of each of the parties hereto, will be deemed to be, and is to be construed as, one and the same Agreement. A telecopy or facsimile transmission of a signed counterpart of this Merger Agreement is sufficient to bind the party or parties whose signature(s) appear thereon.

14. Governing Law. THIS MERGER AGREEMENT IS TO BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF MISSISSIPPI, WITHOUT REGARD FOR THE PROVISIONS THEREOF REGARDING CHOICE OF LAW. VENUE FOR ANY CAUSE OF ACTION ARISING FROM THIS MERGER AGREEMENT WILL LIE IN RANKIN COUNTY, MISSISSIPPI.

15. Further Assurances. The parties agree that they will, at any time and from time to time after the Effective Time, upon request by the other and without further consideration, do, perform, execute, acknowledge and deliver all such further acts, deeds, assignments, assumptions, transfers, conveyances, powers of attorney, certificates and assurances as may be reasonably required in order to fully complete the transactions contemplated hereby in accordance with this Merger Agreement or to carry out and perform any undertaking made by the parties hereunder.

16. Severability. If any provision of this Merger Agreement is held to be illegal, invalid or unenforceable under present or future laws, then (a) this Merger Agreement is to be construed and enforced as if such illegal, invalid or unenforceable provision were not a part hereof; (b) the remaining provisions of this Merger Agreement will remain in full force and effect and will not be affected by such illegal, invalid or unenforceable provision or by its severance from this Merger Agreement; and (c) there will be added automatically as a part of this Merger Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and still be legal, valid and enforceable.

17. Specific Performance. Each of the parties hereto acknowledges that the other parties would be irreparably damaged and would not have an adequate remedy at law for money damages if any of the covenants contained in this Merger Agreement were not performed according to its terms or otherwise were materially breached. Each of the parties agrees that, without the necessity of proving actual damages or posting bond or other security, the other party is entitled to injunctive relief to prevent breach of performance and to specific enforcement of such covenants in addition to any other remedy to which they may be entitled.

18. Rules of Construction. Descriptive headings as to the contents of particular sections are for convenience only and do not control or affect the meaning, construction or interpretation of this

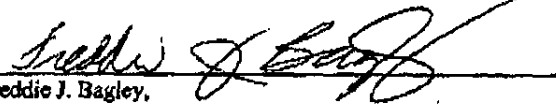
Merger Agreement. All articles and sections referred to herein are articles and sections, respectively, of this Merger Agreement. Each use herein of the masculine, neuter or feminine gender is deemed to include the other genders. Each use herein of the plural includes the singular and vice versa, in each case as the context requires or as it is otherwise appropriate. The word "or" is used in the inclusive sense. Any and all documents or instruments referred to herein are incorporated herein by reference hereto as though fully set forth herein verbatim. If there is any conflict between the terms of this Merger Agreement and the terms of the Reorganization Agreement, the terms of the Reorganization Agreement are to control.

19. Binding Effect; Assignment. All of the terms, covenants, representations, warranties and conditions of this Merger Agreement are binding upon, and inure to the benefit of and be enforceable by, the parties hereto and their respective successors, representatives and permitted assigns. Nothing expressed or referred to herein is intended or is to be construed to give any person other than the parties hereto any legal or equitable right, remedy or claim under or in respect of this Merger Agreement, or any provision herein contained, it being the intent of the parties hereto that this Merger Agreement, the assumption of obligations and statements of responsibilities hereunder, and all other conditions and provisions hereof are for the sole benefit of the parties to this Merger Agreement and for the benefit of no other person, except as expressly provided for herein. Nothing in this Merger Agreement will act to relieve or discharge the obligation or liability of any third party to any party to this Merger Agreement, nor will any provision give any third party any right of subrogation or action over or against any party to this Merger Agreement, except as expressly provided for herein. No party to this Merger Agreement will assign this Merger Agreement, by operation of law or otherwise, in whole or in part, without the prior written consent of the other parties. Except as provided for in the preceding sentence, any assignment made or attempted in violation of this Section is void and of no effect.

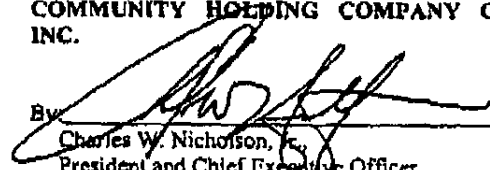
[signature blocks on following page]

IN WITNESS WHEREOF, Mississippi BHC and Florida BHC have caused this Merger Agreement to be signed in their respective corporate names as of the date and year first above written.

COMMUNITY BANCSHARES OF MISSISSIPPI, INC.

By: 
Freddie J. Bagley,
President

COMMUNITY HOLDING COMPANY OF FLORIDA, INC.

By: 
Charles W. Nicholson, Jr.,
President and Chief Executive Officer