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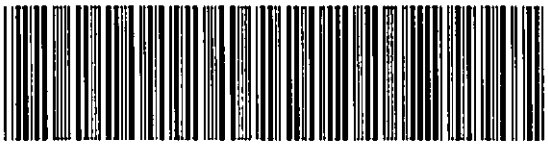

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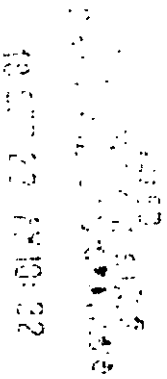

OCT 01 2018

PAMELA P. EPTING
Interim Commissioner

INTEROFFICE COMMUNICATION

DATE: September 28, 2018

TO: Ms. Gina McLeod, Department of State
Division of Corporations

FROM: Jason Guevara, Licensing and Chartering

SUBJECT: Merger of Preferred Community Bank with and into Achieva Credit Union

Please file the attached articles for the above-reference entities, using September 30, 2018 as the effective date.

Please make the following distribtution of copies:

(1) One certified copy to:
Jason Guevara
Office of Financial Regulation
Licensing & Chartering
200 East Gaines Street
Tallahassee, FL 32399

(2) One certified copy to:
Mr. John p. Greeley
Smith Mackinnon, PA
Suite 1200
Citrus Center
255 South Orange Avenue
Orlando, FL 32801

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

PAMELA P. EPTING
INTERIM COMMISSIONER

Having been approved by the Commissioner of the Office of Financial Regulation on June 1, 2018, to merge Preferred Community Bank, Fort Myers, Lee County, Florida, with and into Achieva Credit Union, Dunedin, Pinellas County, Florida, and being satisfied that the conditions of approval have been met, I hereby approve for filing with the Department of State, the attached "Articles of Merger", so that 12:01 a.m., eastern daylight time on September 30, 2018, they shall read as stated herein.

Signed on this 27th day of September 2018.

Jeremy W. Smith, Director,
Division of Financial Institutions

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.FLOFR.COM • Toll Free: (800) 848-3792

OFFICE OF FINANCIAL REGULATION

CERTIFICATE OF MERGER

WHEREAS, Section 655.412, and 657.065, Florida Statutes, provides for the merger and consolidation of financial institutions; and

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

NOW, THEREFORE, I, Jeremy W. Smith, Director of the Division of Financial Institutions, Office of Financial Regulation, do hereby issue this Certificate authorizing consummation of the merger and consolidation of the following constituent financial institutions:

Preferred Community Bank, Fort Myers, Lee County, Florida — Charter #1186

Achieva Credit Union, Dunedin, Pinellas County, Florida — Charter #34

under the charter of: Achieva Credit Union
under the title of: Achieva Credit Union
under State Charter No: #34

And, I further authorize Achieva Credit Union to continue the transaction of a general credit union business with main offices at 1659 Virginia Street, Dunedin, Pinellas County, Florida, and with branch offices as authorized by law. On the effective date of merger, 12:01 a.m., eastern daylight time on September 30, 2018, the charter and franchise of Preferred Community Bank shall be deemed terminated and surrendered.

Signed and Sealed this 27th day of September 2018.

Jeremy W. Smith, Director
Division of Financial Institutions

ARTICLES OF MERGER
OF
PREFERRED COMMUNITY BANK
WITH AND INTO
ACHIEVA CREDIT UNION

P06-139578

Pursuant to the provisions of the Florida Business Corporation Act (the "Florida Act") and the Florida Financial Institutions Codes (the "Florida Codes"), Achieva Credit Union, a state chartered credit union organized under the laws of the State of Florida, and Preferred Community Bank, a Florida banking corporation, do hereby adopt the following Articles of Merger for the purpose of merging Preferred Community Bank with and into Achieva Credit Union:

FIRST: The names of the corporations that are parties to the merger (the "Merger") contemplated by these Articles of Merger are Achieva Credit Union and Preferred Community Bank. The surviving corporation in the Merger is Achieva Credit Union.

SECOND: The Plan of Merger is set forth in the Agreement and Plan of Merger by and among Achieva Credit Union and Preferred Community Bank dated as of February 8, 2018 (the "Merger Agreement"). A copy of the Merger Agreement is attached hereto as Exhibit A and made a part hereof by reference as if fully set forth herein.

THIRD: The Merger shall become effective at 12:01 a.m., Eastern Daylight Time, on September 30, 2018, in accordance with the provisions of the Florida Act and the Florida Codes.

FOURTH: The Merger Agreement was adopted by the shareholders of Preferred Community Bank pursuant to the applicable provisions of the Florida Act and the Florida Codes on April 12, 2018. The Merger Agreement was adopted by the Board of Directors of Achieva Credit Union pursuant to the Florida Act and the Florida Codes on January 23, 2018. No approval of the Merger Agreement was required by the stockholders or members of Achieva Credit Union.

FIFTH: The address of Achieva Credit Union is 1659 Virginia Street, Dunedin, Florida 34698.

SIXTH: Achieva Credit Union is deemed to have appointed 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 Preferred Community Bank.

SEVENTH: Achieva Credit Union has agreed to promptly pay to the dissenting shareholders of Preferred Community Bank the amount, if any, to which they are entitled under the applicable provisions of the Florida Act and applicable law.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused these Articles of Merger to be executed by a duly authorized officer as of September 26, 2018.

ACHIEVA CREDIT UNION

By: _____
Gary Regoli
President and Chief Executive Officer

PREFERRED COMMUNITY BANK

By: _____
Brenda M. O'Neil
Chairman and Chief Executive Officer

IN WITNESS WHEREOF, the parties have caused these Articles of Merger to be executed by a duly authorized officer as of September 26, 2018.

ACHIEVA CREDIT UNION

By: _____
Gary Regoli
President and Chief Executive Officer

PREFERRED COMMUNITY BANK

By: _____
Brenda M. O'Neil
Chairman and Chief Executive Officer

EXHIBIT A

MERGER AGREEMENT

Execution Copy

AGREEMENT AND PLAN OF MERGER

BY AND BETWEEN

ACHIEVA CREDIT UNION,

AND

PREFERRED COMMUNITY BANK

Dated as of February 8, 2018.

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AGREEMENT AND PLAN OF MERGER

This **AGREEMENT AND PLAN OF MERGER** (this "Agreement"), is entered into as of February 8, 2018, by and among **ACHIEVA CREDIT UNION**, a state chartered credit union organized under the laws of the state of Florida ("Buyer"), and **PREFERRED COMMUNITY BANK**, a Florida chartered banking corporation ("Seller"). Buyer and Seller are referred to in this Agreement each as a "Party" and collectively as the "Parties."

RECITALS:

A. The Parties to this Agreement desire to effect a reorganization whereby Buyer acquires Seller through the merger (the "Merger") of Buyer and Seller, with Buyer being the continuing entity following the Merger (the "Continuing Entity").

B. Pursuant to the terms of this Agreement, and except as provided herein, each issued and outstanding share of common stock of Seller, $5.00 par value per share ("Seller Common Stock"), shall be converted at the Effective Time of the Merger into the right to receive cash as set forth in this Agreement.

C. The Parties desire to make certain representations, warranties and agreements in connection with the Merger and agree to certain prescribed conditions to the Merger.

NOW THEREFORE, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties agree as follows:

ARTICLE 1

THE MERGER

Section 1.1 Agreement to Merge. At the Effective Time, in accordance with this Agreement and the Florida Business Corporation Act ("FBCA") and the Florida Financial Institutions Codes ("FFIC"), Seller shall be merged with and into Buyer, the separate existence of Seller shall cease and Buyer shall continue as the Continuing Entity.

Section 1.2 Effective Time. As of the Closing, the Parties will cause articles of merger (the "Certificate of Merger") to be executed and filed with the Florida Secretary of State as provided in the FBCA and the FFIC. The Merger shall become effective on the date and time set forth in the Certificate of Merger (the "Effective Time").

Section 1.3 Effect of the Merger. At and after the Effective Time:

(a) the Merger shall have the effects set forth in the FBCA and the FFIC;

(b) the certificate of authorization and by-laws of the Buyer, as in effect immediately prior to the Effective Time, shall be the certificate of authorization and by-laws of the Continuing Entity until thereafter amended as provided therein or by applicable law; and

(c) the directors and officers of Buyer immediately prior to the Effective Time shall be the directors and officers of the Continuing Entity until their successors have been duly elected or appointed and qualified, or until their earlier death, resignation or removal in accordance with the certificate of authorization and the by-laws of the Continuing Entity.

Section 1.4 Closing. The consummation of the transactions contemplated by this Agreement shall take place at a closing (the "Closing") to be held on such date as the Parties mutually agree after the date on which all of the conditions set forth in Article 7 and Article 8 of this Agreement have been satisfied (the "Closing Date"). The Closing shall take place at 9:00 a.m., local time, on the Closing Date through mail, or at such other place and time upon which the Parties may agree.

ARTICLE 2

MERGER CONSIDERATION

Section 2.1 Merger Consideration. The aggregate amount to be paid to the shareholders of the Seller (the "Holders" and, individually, a "Holder") shall be an amount in cash equal to $13.30 per share (the "Merger Consideration") for each of the 1,707,446 Seller shares outstanding resulting in a total consideration of $22,709,031.80 (the "Purchase Price"). Additionally, Buyer will pay in cash at Closing an amount of $2,456,305.99, in relation to the 330,593 outstanding stock options as of the date of this Agreement to make up the difference between the Merger Consideration price less the exercise price of such stock options (which, as of the date of this Agreement, have a weighted average per share exercise price of $5.87). The Purchase Price is subject to possible adjustment pursuant to Section 10.2(f) and, if it is so adjusted, then the Purchase Price amount of $22,709,031.80 will be reduced as contemplated by Section 10.2(f) and the adjusted Merger Consideration shall be computed by dividing the resultant Purchase Price by 1,707,446 shares. The amount connected to the payment of the Seller stock options will be paid by the Buyer to each holder of a Seller stock option outstanding as of the Closing and in an amount to each such option holder equal to the product of (i) the amount of options held by such stock option holder, multiplied by (ii) the difference between the Merger Consideration less the exercise price of such stock options. To the extent that any Seller stock options are exercised prior to Closing, then there will be a reduction in the Seller's stock options outstanding and corresponding increases in the number of Seller shares outstanding and the Purchase Price.

Section 2.2 Closing Statement and Transaction Expenses Statement. Not less than five (5) business days prior to the Closing Date, Seller shall deliver to Buyer for its comment and approval a statement that sets forth (a) a detailed preliminary calculation of the Merger Consideration, in the aggregate and to be paid to each Holder at Closing pursuant to Section 2.3 of this Agreement, and (b) a detailed preliminary calculation of the Seller's Minimum Equity, total assets, total loans and total deposits expected as of Closing in the aggregate, and (c) the aggregate amount of each of the Transaction Expenses (as defined below), de-conversion fee and other fees expected at Closing.

Section 2.3 Payment of Merger Consideration. Subject to the procedures set forth in Section 2.5, the Buyer shall pay and distribute (or cause to be paid and distributed) the Merger

Consideration to each Holder of Seller Common Stock issued and outstanding at the Effective Time.

Section 2.4 Effect on Stock. As of the Effective Time, by virtue of the Merger and without any action on the part of the Parties or the Holders:

(a) Subject to Section 2.3 and the other provisions of this Section 2.4, each share of Seller Common Stock issued and outstanding as of immediately prior to the Effective Time (other than shares of Seller Common Stock to be canceled pursuant to Section 2.4(b) and Dissenting Shares to the extent provided in Section 2.4(c), shall be converted into the right to receive, upon the surrender of the Certificate formerly representing such share of Seller Common Stock, an amount equal to the Merger Consideration. At the Effective Time, Seller shall be merged with and into Buyer and the separate existence of Seller shall cease and Seller and Buyer shall become a single entity, which shall be the Continuing Entity. At the Effective Time, each such share of Seller Common Stock shall no longer be outstanding and shall automatically be canceled and shall cease to exist, and each Holder of such Certificate shall cease to have any rights with respect thereto, except the right to receive the amounts described in this Section 2.4 to be paid in consideration therefor upon surrender of such Certificate in accordance with Section 2.5, without interest.

(b) Each share of Seller Common Stock held as treasury stock or otherwise held by the Seller (other than in a fiduciary capacity), if any, immediately prior to the Effective Time shall automatically be canceled and shall cease to exist and no payment shall be made with respect thereto.

(c) Shares of Seller Common Stock which are issued and outstanding immediately prior to the Effective Time and which are held by a Holder who has not voted such shares in favor of the Merger and who has properly demanded appraisal rights in the manner provided by the FBCA and the FFIC ("Dissenting Shares") shall not be converted into a right to receive the Merger Consideration unless and until the Effective Time has occurred and the Holder of such Dissenting Shares becomes ineligible for such appraisal rights. The Holders of Dissenting Shares shall be entitled only to such appraisal and the dissenters' rights as are granted by the FBCA and the FFIC (the "Dissenting Laws"). Each Holder of Dissenting Shares who becomes entitled to payment for such shares pursuant to the Dissenting Laws shall receive payment therefore from Buyer in accordance with the Dissenting Laws; provided, however, that (i) if any such Holder of Dissenting Shares shall have failed to establish entitlement to appraisal rights as provided in the Dissenting Laws, or (ii) if any such Holder of Dissenting Shares shall have effectively withdrawn demand for appraisal of such shares or lost the right to appraisal and payment for shares under the Dissenting Laws, such Holder of Dissenting Shares shall forfeit the right to appraisal of such shares and each such Dissenting Share shall be treated as if it had been, as of the Effective Time, converted into a right to receive the Merger Consideration, without interest thereon, as provided in Section 2.4(a) of this Agreement.

Section 2.5 Exchange of Certificates.

(a) Not earlier than ten (10) business days and not later than five (5) business days prior to the Closing Date, Buyer shall prepare and cause to be mailed to, subject to the effectiveness of Merger, each holder of record of Seller Common Stock instructions for use in

effecting the surrender of the Certificates in exchange for the Merger Consideration, which shall include payment of the Merger Consideration on or after the Closing Date (the "Transmittal Letter"). Upon proper surrender to Buyer of a Certificate for exchange and cancellation, together with such properly completed and duly executed Transmittal Letter, Buyer shall cause the holder of such Certificate to promptly thereafter and after the Effective Time receive a check representing the amount of Merger Consideration that such holder is entitled to receive pursuant to this Agreement.

(b) Buyer hereto shall not be liable to any former holder of Seller Common Shares for any amount properly delivered to a public official pursuant to applicable abandoned property, escheat or similar laws.

(c) If a check representing the Merger Consideration is to be issued in a name other than that in which the Certificate is surrendered in exchange therefore is registered, it shall be a condition of the issuance thereof that Certificate so surrendered shall be properly endorsed, accompanied by all documents required to evidence and effect such transfer and otherwise in proper form for transfer and that Person requesting such exchange shall pay to Buyer any transfer or other taxes required by reason of the issuance of a check representing Merger Consideration in any name other than that of the registered holder of the Certificate surrendered, or otherwise required, or shall establish to the satisfaction of Buyer that such tax has been paid or is not payable.

(d) No portion of the Merger Consideration shall be paid in consideration of any Certificate until the holder thereof shall surrender such Certificate in accordance with this Section 2.5(a) or complies with the terms of Section 2.5(e).

(e) If any Certificate shall have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed, and if reasonably required by Buyer, the posting of a bond in the amount as the Buyer may determine is reasonably necessary as indemnity against any claim that may be made the respect to such Certificate, the Buyer shall issue in exchange for such lost, stolen, or destroyed Certificate a check representing the Merger Consideration deliverable in respect thereof. Should Buyer require any such bond, Buyer shall be obligated to refer the holder of such Certificate to a Person who has agreed to provide such bonds.

Section 2.6 Payment of Transaction Expenses. On the Closing Date, Seller shall fully pay, cause to be paid or accrue each Transaction Expense, to the extent not paid prior to the Closing Date, and shall furnish Buyer with appropriate evidence that full payment has been made.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES CONCERNING SELLER

On or prior to the date hereof, Seller has delivered to Buyer a schedule ("Disclosure Schedule") setting forth, among other things, items the disclosure of which is necessary or appropriate either (i) in response to an express disclosure requirement contained in a provision

hereof or (ii) as an exception to one or more representations or warranties contained in this Article III or to one or more of Seller's covenants contained in Article V.

Seller represents and warrants to Buyer, as follows:

Section 3.1 Organization and Authority; Capitalization.

(a) Seller is a Florida chartered banking corporation, validly existing, and in good standing (to the extent applicable) under the laws of the State of Florida with full power and authority to carry on its business as now being conducted and to own and operate the properties which it owns and/or operates. The execution, delivery, and performance by Seller of this Agreement is within its corporate power and has been duly authorized by all necessary corporate action on its part, subject to the approvals referred to in Section 3.2(iv). This Agreement has been duly executed and delivered by Seller and constitutes the valid and legally binding obligation of it, enforceable against it in accordance with its terms, subject to bankruptcy, receivership, insolvency, reorganization, moratorium or similar laws affecting or relating to creditors' rights generally and subject to general principles of equity (the "General Exceptions").

(b) The authorized capital stock of Seller consists of as of the date of this Agreement, and will consist of at the Closing, (i) 10,000,000 shares of common stock, par value $5.00 per share, of which 1,707,446 shares are issued and outstanding as of the date of this Agreement, and (ii) 1,000,000 shares of preferred stock, par value $1.00 per share, none of which are issued and outstanding as of the date of this Agreement. The issued and outstanding shares of common stock of Seller have been duly and validly authorized and issued and are fully paid and non-assessable. Except as disclosed in Schedule 3.1(b), there are no options, agreements, contracts, or other rights in existence to purchase or acquire any shares of capital stock of Seller, whether now or hereafter authorized or issued. To the knowledge of Seller, none of the issued and outstanding shares Seller Common Stock are, nor on the Closing Date will they be, subject to any claim of right that would prevent or delay the consummation of any transaction contemplated hereby.

(c) None of the shares of Seller Common Stock have been issued in violation of any federal or state securities laws or any other legal requirement. Since December 31, 2014, except as disclosed in Schedule 3.1(c), no shares of Seller Common Stock have been purchased, redeemed or otherwise acquired, directly or indirectly, by Seller, and no dividends or other distributions payable in any equity securities of Seller have been declared, set aside, made or paid to the Holders. None of the shares of authorized common stock of Seller are, nor on the Closing Date will they be, subject to any claim of right inconsistent with this Agreement.

Section 3.2 Conflicts; Consents; Defaults. Except as set forth in Schedule 3.2, neither the execution and delivery of this Agreement by Seller nor the consummation of the transactions will (i) conflict with, result in the breach of, constitute a default under or accelerate the performance required by, any order, law, regulation, contract, instrument or commitment to which Seller is a party or by which it is bound, which breach or default would have a Material Adverse Effect on Seller, (ii) violate the charter or bylaws of Seller, (iii) require any consent, approval, authorization or filing under any law, regulation, judgment, order, writ, decree, permit,

license or agreement to which Seller is a party, or (iv) require the consent or approval of any other party to any material contract, instrument or commitment to which Seller is a party, in each case other than any required approvals of or notices as to this Agreement and the transactions by the FDIC, FBCA, FFIC, DIFS, and National Credit Union Administration ("NCUA") (the "Regulators"), and the shareholders of the Seller.

Section 3.3 Financial Information. Except as set forth in the Disclosure Schedule, the Seller's audited balance sheet of Seller as of December 31, 2016, and related audited income statement for the year ended December 31, 2016, together with the notes thereto, and/or the unaudited periodic financial statements of Seller as of December 31, 2017 and January 31, 2018 (collectively referred to herein as "Seller Financial Statements"), copies of which have been provided to Buyer, have been prepared in accordance with GAAP (except as may be disclosed therein, and in the case of interim statements, for the absence of footnotes and normal year-end adjustments) and fairly present the financial position and the results of operations, and cash flows of the Seller, as of the dates and for the periods indicated.

Section 3.4 Absence of Changes. Except as set forth in Schedule 3.4, no events or transactions have occurred since July 31, 2017 which have resulted in a Material Adverse Effect as to Seller. For purposes of this Agreement, "Material Adverse Effect" means any event, occurrence, fact, condition, or change that is, or would reasonably be expected to become, materially adverse to (1) the financial condition, results of operation, assets or business of the Seller, or (2) the ability of the Seller to perform its respective obligations under this Agreement, other than (A) the effects of any change attributable to or resulting from changes in economic conditions, laws, regulations or accounting guidelines applicable to depository institutions generally or in general levels of interest rates, (B) employee departures or terminations after announcement of this Agreement, (C) the issuance or compliance with any directive or order of any Regulator, or (D) actions taken by Seller pursuant to the terms of this Agreement or with the written consent of Buyer.

Section 3.5 Title to Real Estate. Except as may be disclosed in Schedule 3.5, (i) Seller has good, marketable and insurable title, free and clear of all mortgages, claims, charges, liens, encumbrances, easements, restrictions, options, pledges, calls, commitments, security interests, conditional sales agreements, title retention agreements, leases, and other restrictions of any kind whatsoever (the "Encumbrances") (except taxes which are a lien but not yet payable and utility easements, rights-of-way, and other restrictions which do not have a Material Adverse Effect on the Seller) (the "Permitted Encumbrances") to the Real Estate; and the real estate, buildings and fixtures owned by Seller as of the date hereof ("Seller Real Estate") complies in all material respects with all applicable private agreements, zoning requirements and other governmental laws and regulations relating thereto, and to Seller's knowledge there are no condemnation proceedings pending or threatened with respect to the Seller Real Estate.

Section 3.6 Title to Assets Other Than Real Estate. Seller is the lawful owner of and has good and marketable title to the loans, all bonds and other investment securities (including FHLB stock) owned by Seller on the Closing Date, together with accrued interest thereon, if any, and including any amounts due to or from brokers or custodians ("Liquid Assets"), all petty cash, vault cash, ATM cash and teller cash ("Cash on Hand"), cash in all of Seller's demand deposit accounts, including, without limitation, those for payroll and cashier's checks ("Bank

Accounts"), the prepaid expenses recorded or reflected on the books of Seller at the close of business on the Closing Date (including, without limitation, prepaid FDIC deposit premiums relating to the Deposits, all accounts receivable reflected on Seller's books and records as of the close of business on the Closing Date ("Accounts Receivable"), the all furniture, equipment, trade fixtures, ATMs, office supplies, sales material, Deposit account forms, loan forms and all other forms and similar items used in connection with the Seller's banking business and all other tangible personal property owned or leased by Seller, located in or upon the branches or used in the Seller's business ("Fixed Assets"), and the all assets of the Seller at the close of business on the Closing Date at the close of business on the Closing Date not otherwise enumerated herein other than the Excluded Assets ("Other Assets") owned by it, free and clear of all Encumbrances other than the lien of the Federal Home Loan Bank of Atlanta (the "FHLB") with respect to certain of the loans. Delivery to Buyer of the instruments of transfer of ownership contemplated by this Agreement will vest in Buyer good and marketable title to any loans, the Fixed Assets owned by it, Liquid Assets, Cash on Hand, cash in the Bank Accounts, prepaid expenses, Accounts Receivable, all Records (as defined below) and the Other Assets, free and clear of all Encumbrances, other than the lien of the FHLB.

Section 3.7 Loans. Seller represents and warrants as to each loan, loan agreement, note, lease or other borrowing agreement, any loan participation sold or purchased, and any guaranty, renewal or extension thereof (collectively, "Loans") that, except as may be set forth in Schedule 3.7:

(a) Seller is the sole owner and holder of the Loan and all servicing rights relating thereto. The Loan is not assigned or pledged (other than to the FHLB), and Seller has good and marketable title thereto. Seller has the full right, subject to no interest or participation of, or agreement with, any other party (other than to the FHLB), to sell and assign the Loan to Buyer, free and clear of any right, claim or interest of any person or entity (other than to the FHLB), and such sale and assignment to Buyer will not impair the enforceability of the Loan.

(b) Except for any commitment of Seller to fund additional advances under any Loan, or under any new unfunded Loan commitment on and after the Closing Date (the "Unfunded Commitment"), the full principal amount of the Loan has been advanced to an obligor or guarantor, including a third party pledgor, with respect to the Loan Documents (as defined below) relating to a Loan (the "Loan Debtor"), either by payment direct to him or her, or by payment made on his or her approval, and there is no requirement for future advances thereunder. The unpaid principal balance of each Loan and the amount of the Unfunded Commitment in each case as of January 31, 2018, is as stated on Schedule 3.7(b).

(c) To the Seller's knowledge, each of the Loan Documents is genuine, and each is the legal, valid and binding obligation of the maker thereof, subject to the General Exceptions. For purposes of this Agreement, "Loan Documents" means, with respect to each Loan, the constituent documents relating thereto, including, without limitation, the Loan application, appraisal report, title insurance policy, promissory note, deed of trust, Loan agreement, security agreement, and guarantee, if any. To the knowledge of Seller, all parties to the Loan Documents had legal capacity to enter into the Loan Documents, and the Loan Documents have been duly and properly executed by such parties.

(d) All federal, state and local laws and regulations affecting the origination by Seller, and Seller's administration and servicing, of the Loans prior to the Closing Date, including without limitation, truth-in-lending, real estate settlement procedures, consumer credit protection, equal credit opportunity and disclosure laws, have been complied with in all material respects. Without limiting the generality of the foregoing, Seller has timely provided all disclosures, notices, estimates, statements and other documents required to be provided to the obligor or guarantor, including third party pledger, with Loan Debtor under applicable law and has documented receipt of such disclosures, estimates, statements and other documents as required by law and what Seller believes to be prudent loan origination policies and procedures except where the failure to do so would not have a Material Adverse Effect.

(e) To Seller's knowledge, the Loan Debtor has no rights of rescission, including, but not limited to a right of rescission pursuant to a mortgage refinancing or home equity line of credit, setoff, counterclaims, or defenses to the Loan Documents, except such defenses arising by virtue of bankruptcy, creditors' rights laws, and general principles of equity.

(f) Except as set forth on Schedule 3.7(f), as of the date hereof, (i) no Loan is in default, nor, to Seller's knowledge, is there any event applicable to a Loan where with the giving of notice or the passage of time, would constitute a default; and (ii) no Loan is classified as substandard, doubtful, or loss or is on non-accrual status.

(g) Seller has not modified such Loan in any material respect or waived any material provision of or default under such Loan or the related Loan Documents, except in accordance with its customary loan administration policies and procedures. Any such modification or waiver is in writing and is contained in the loan file.

(h) Seller has taken all actions to cause each Loan secured by personal property to be perfected by a security interest having first priority or such other priority as is required by the relevant loan approval report for such Loan; and to the Seller's knowledge, the collateral for each such Loan is owned by the Loan Debtor.

(i) To the Seller's knowledge, the Loan Debtor is the owner of all collateral for such Loan, free and clear of any Encumbrance except for the security interest in favor of Seller and any other Encumbrance expressly permitted under the relevant loan approval request or Loan Documents.

Section 3.8 Residential and Commercial Mortgage Loans and Certain Business Loans. Except as set forth in the Disclosure Schedule, Seller represents and warrants as to each "Residential Mortgage Loan" (as defined by 15 U.S.C. § 1602(5)), loan secured by a Mortgage on real property used for commercial purposes, including five- or greater unit residential real property ("Commercial Mortgage Loan") and each term or revolving loan to a commercial enterprise secured by personal property or a mixture of real and personal property, or unsecured ("Business Loan") that is secured in whole or in part by a mortgage or deed of trust encumbering real property and, if applicable, fixtures and securing the obligations of a Loan Debtor with respect to a Loan ("Mortgage") that:

(a) The Mortgage is a valid first lien on the real property encumbered by a Mortgage (the "Mortgaged Property") securing the related Loan (or a subordinate lien if expressly permitted under the relevant loan approval report), and the Mortgaged Property is free and clear of all Encumbrances having priority over the first lien (or subordinate lien, if applicable) of the Mortgage, except for liens for real estate taxes and special assessments not yet due and payable, easements and restrictions of record, and, in the case of a closed-end or revolving Residential Mortgage Loan secured by a Mortgage with no lower priority than a second mortgage priority on the applicable Mortgaged Property (the "Home Equity Loan") or a Mortgage securing a guarantee of a Business Loan, the permitted lien of the senior mortgage or deed of trust.

(b) The Mortgage contains customary provisions such as to render the rights and remedies of the holder thereof adequate for the realization against the Mortgaged Property of the benefits of the security provided thereby, including, (i) in the case of a Mortgage designated as a deed of trust, by trustee's sale, and (ii) otherwise by judicial foreclosure.

(c) Except as set forth in the Loan file, all of which actions were taken in the ordinary course of business, Seller has not (i) satisfied, canceled, or subordinated the Loan in whole or in part; (ii) released the Mortgaged Property, in whole or in part, from the lien of the Loan; or (iii) executed any instrument of release, cancellation, modification, or satisfaction.

(d) To Seller's knowledge, all taxes, government assessments, insurance premiums, and municipal charges, and leasehold payments which previously became due and owing have been paid, or an escrow payment has been established in an amount sufficient to pay for every such item which remains unpaid. Except as set forth in the Loan file, if applicable, Seller has not advanced funds, or induced, solicited, or knowingly received any advance of funds by a party other than the Loan Debtor.

(e) To Seller's knowledge, there is no proceeding pending for the total or partial condemnation of the Mortgaged Property and the Mortgaged Property is undamaged by waste, earth movement, fire, flood, windstorm, earthquake, or other casualty.

(f) To Seller's knowledge, the Mortgaged Property is free and clear of all mechanics' liens or liens in the nature thereof, and no rights are outstanding that under law could give rise to any such lien.

(g) To Seller's knowledge, all of the improvements which are included for the purpose of determining the appraised value of the Mortgaged Property lie wholly within the boundaries and building restriction lines of the Mortgaged Property, and no improvements on adjoining properties encroach upon the Mortgaged Property, except as allowed by the Seller's underwriting guidelines.

(h) The Loan meets, or is exempt from, applicable state or federal laws, regulations and other requirements pertaining to usury, and the Loan is not usurious.

(i) Each Loan for which private mortgage insurance was required by Seller under its underwriting guidelines is insured by what Seller believes to be a reputable private mortgage insurance company; each such insurance policy is in full force and effect; and all

premiums due thereunder have been paid.

(j) No claims have been made under any lender's title insurance policy respecting any of the Mortgaged Property, and Seller has not done, by act or omission, anything which would impair the coverage of any such lender's title insurance policy.

(k) To Seller's knowledge, there is in force for each Loan, a hazard insurance policy, including, to the extent required by applicable law, flood insurance, meeting the specifications of FNMA/FHLMC in the case of a Residential Mortgage Loan (other than Home Equity Loans and business purpose Residential Mortgage Loans). All such insurance policies contain a standard mortgagee clause naming the Seller and its successors and assigns as mortgagee, and all premiums thereon have been paid. The Mortgage obligates the Loan Debtor thereunder to maintain the hazard insurance policy at the Loan Debtor's cost and expense and, on the Loan Debtor's failure to do so, authorizes the holder of the Mortgage to obtain and maintain such insurance at such Loan Debtor's cost and expense, and to seek reimbursement therefor from the Loan Debtor. Seller has not engaged in, and has no knowledge of the Loan Debtor's having engaged in, any act or omission which would impair the coverage of any such policy, the benefits of the endorsement provided for therein, or the validity and binding effect of either.

(l) As to each Residential Mortgage Loan, the Mortgaged Property consists of a one-to four-family (including condominium or PUD projects that meet FNMA/FHLMC guidelines as warranted by Seller), owner-occupied primary residence, second home or investment property.

(m) The Loan was originated and underwritten in the ordinary course of Seller's business and by an authorized employee of Seller.

(n) Neither (i) the information presented as factual concerning the income, employment, credit standing, purchase price and other terms of sale, payment history or source of funds submitted to Seller for the purpose of making the Loan, nor (ii) the information presented as factual in the appraisal with respect to the Mortgaged Property, contained, to Seller's knowledge, any material omission or misstatement or other material discrepancy at the time the information was obtained by Seller.

(o) All appraisals have been ordered, performed and rendered in accordance with the requirements of the underwriting guidelines of Seller and in compliance, in all material respects, with all laws and regulations then in effect relating and applicable to the origination of loans, which requirements include, without limitation, requirements as to appraiser independence, appraiser competency and training, appraiser licensing and certification, and the content and form of appraisals.

(p) To Seller's knowledge, no Mortgaged Property is in violation of any Environmental Law.

Section 3.9 Auto Receivables. Seller represents and warrants to Buyer as to any Loan or installment sale contract arising from the purchase of, and secured by, an automobile, light-duty vehicle, all-terrain vehicle, boat or motorcycle ("Auto Receivable") that:

(a) The Auto Receivable represents a bona fide sale or finance of the vehicle described therein to the vehicle purchaser or owner for the amount set forth therein;

(b) The vehicle described in the Auto Receivable has been delivered to and accepted by the vehicle purchaser and such acceptance shall not have been revoked;

(c) The security interest created by the Auto Receivable is a valid first lien in the motor vehicle covered by the Auto Receivable and all action has been taken to create and perfect such lien in such motor vehicle within such time following the date of the Auto Receivable as will afford first priority status;

(d) The down payment relating to such Auto Receivable has been paid in full by the vehicle purchaser in cash and/or trade as shown in such Auto Receivable, and no part of the down payment consisted of notes or postdated checks;

(e) The statements made by the vehicle purchaser or owner and the information submitted by the vehicle purchaser or owner in connection with the Auto Receivable are true and complete to Seller's knowledge;

(f) Each Auto Receivable complies, in all material respects, with all applicable provisions of laws and regulation which are applicable to the transaction represented by the Auto Receivable; and

(g) Seller has no knowledge of any circumstances or conditions with respect to the Auto Receivable, the related vehicle, the vehicle purchaser or owner, or vehicle purchaser's or owner's credit standing that can be expected to adversely affect Seller's security interest in the Auto Receivable.

Section 3.10 Unsecured Loans. Except as set forth in Schedule 3.10, no Unsecured Loan has been charged-off under Seller's normal procedures since July 31, 2017.

Section 3.11 Allowance. Except as set forth in Schedule 3.11, to Seller's knowledge, the Allowance shown on the Seller Financial Statements as of January 31, 2018, with respect to the Loans is adequate as of such date under the requirements of GAAP to provide for possible losses on items for which reserves were made.

Section 3.12 Investments. Except for investments pledged to secure Federal Home Loan Bank advances or public deposits or as otherwise set forth in Schedule 3.12, none of the investments reflected in the Seller Financial Statements as of January 31, 2018, and none of the investments made by Seller since January 31, 2018, are subject to any restriction, whether contractual or statutory, which materially impairs the ability of Seller to dispose freely of such investment at any time and each of such investments complies with regulatory requirements concerning such investments.

Section 3.13 Deposits.

(a) Seller has made available to Buyer a true and complete copy of the account forms for all Deposits offered by Seller. For purposes of this Agreement, "Deposit(s)"

means a deposit or deposits as defined in Section 3(l)(1) of the Federal Deposit Insurance Act ("FDIA") as amended, 12 U.S.C. § 1813(l)(1), including without limitation the aggregate balances of all savings accounts with positive balances domiciled at the Branches, including accounts accessible by negotiable orders of withdrawal ("NOW" accounts), other demand instruments, Retirement Accounts, and all other accounts and deposits, together with Accrued Interest thereon, if any. Except as listed in Schedule 3.13(a), all the accounts related to the Deposits are in material compliance with all applicable laws, orders and regulations and were originated in material compliance with all applicable laws, orders and regulations.

(b) Schedule 3.13(b) is a true and correct schedule of the Deposits prepared as of the date indicated thereon (which shall be updated through the Closing Date), listing by category and the amount of such deposits, together with the amount of Accrued Interest thereon. All Deposits are insured to the fullest extent permissible by the Federal Deposit Insurance Corporation (the "FDIC"). Subject to the receipt of all requisite regulatory approvals, Seller has and will have at the Closing Date all rights and full authority to transfer and assign the Deposits without restriction. As of the date hereof, with respect to the Deposits:

(1) Subject to items returned without payment in full ("Return Items") and immaterial bookkeeping errors, all interest accrued or accruing on the Deposits has been properly credited thereto, and properly reflected on Seller's books of account, and Seller is not in default in the payment of any thereof;

(2) Subject to Return Items and immaterial bookkeeping errors, Seller has timely paid and performed all of its obligations and liabilities relating to the Deposits as and when the same have become due and payable;

(3) Subject to immaterial bookkeeping errors, Seller has administered all of the Deposits in accordance with applicable fiduciary duties and with what Seller believes to be good and sound financial practices and procedures, and has properly made all appropriate credits and debits thereto; and

(4) None of the Deposits are subject to any Encumbrances or any legal restraint or other legal process, other than those securing loans, public Deposits, customary court orders, levies, and garnishments affecting the depositors, all of which Encumbrances (other than Loans, customary court orders, levies, and garnishments) are described on Schedule 3.13(b).

Section 3.14 Contracts. Schedule 3.14 lists or describes the following:

(a) Each Loan and credit agreement, conditional sales contract, indenture or other title retention agreement or security agreement relating to money borrowed by Seller;

(b) Each guaranty by Seller of any obligation for the borrowing of money or otherwise (excluding any endorsements and guarantees in the ordinary course of business and letters of credit issued by Seller in the ordinary course of its business) or any warranty or indemnification agreement;

(c) Each lease or license with respect to personal property involving an annual amount in excess of $15,000;

(d) The name, annual salary and primary department assignment as of January 31, 2018, of each employee of Seller and any employment or consulting agreement or arrangement with respect to each such person; and

(e) Each agreement, Loan, contract, lease, guaranty, letter of credit, line of credit or commitment of Seller not referred to elsewhere in this Section which (i) involves payment by Seller (other than as disbursement of Loan proceeds to customers) of more than $15,000 annually or $50,000 in the aggregate over its remaining term.

(f) Final and complete copies of each document, plan or contract listed and described in the Disclosure Schedule pursuant to this Agreement have been provided to Buyer.

Section 3.15 Tax Matters. Except as set forth in Schedule 3.15, Seller has filed with the appropriate governmental agencies all federal, state and local income, franchise, excise, sales, use, real and personal property and other tax returns and reports required to be filed by it. Seller is not (a) delinquent in the payment of any taxes; (b) subject to any pending or threatened examination for income taxes for any year by the Internal Revenue Service (the "IRS") or any state tax agency; (c) subject to any agreement extending the period for assessment or collection of any federal or state tax; or (d) a party to any action or proceeding with, nor has any claim been asserted against it by, any Regulators, any court, and any other administrative agency or commission or other federal, state or local governmental authority or instrumentality ("Governmental Authority") for assessment or collection of taxes. To Seller's knowledge, Seller is not the subject of any threatened action or proceeding by any Governmental Authority for assessment or collection of taxes. The reserve for taxes in the audited financial statements of Seller for the year ended December 31, 2016, is, in the opinion of management of Seller, adequate to cover all of the tax liabilities of Seller (including, without limitation, income taxes and franchise fees) as of such date in accordance with GAAP.

Section 3.16 Employee Matters.

(a) Except as may be disclosed in Schedule 3.16(a), Seller has not entered into any collective bargaining agreement with any labor organization with respect to any group of employees of the Seller, and to the knowledge of the Seller, there is no present effort nor existing proposal to attempt to unionize any group of employees of the Seller.

(b) Except as may be disclosed in Schedule 3.16(b), (i) the Seller is and has been in material compliance with all applicable laws respecting employment and employment practices, terms and conditions of employment and wages and hours, including, without limitation, any such laws respecting employment discrimination and occupational safety and health requirements, and the Seller is not engaged in any unfair labor practice; (ii) there is no unfair labor practice complaint against Seller pending or, to the knowledge of Seller, threatened before the National Labor Relations Board; (iii) there is no labor dispute, strike, slowdown or stoppage actually pending or, to the knowledge of Seller, threatened against or directly affecting Seller; and (iv) Seller has not experienced any work stoppage or other such labor difficulty during the past five years.

Section 3.17 Employee Benefit Plans.

(a) Each (a) nonqualified deferred compensation or retirement plan or arrangement that is an Employee Pension Benefit Plan, (b) qualified defined contribution retirement plan or arrangement that is an Employee Pension Benefit Plan (as defined in the section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), (c) qualified defined benefit retirement plan or arrangement that is an Employee Pension Benefit Plan (including any Multiemployer Plan (as defined in ERISA Section 3(37))), or (d) Employee Welfare Benefit Plan (as defined in ERISA section 3(1)) (collectively the "Employee Benefit Plan") or material fringe benefit plan or program of Seller (and each related trust, insurance contract, or fund) complies in form and in operation in all material respects with the applicable requirements of ERISA, the Code, and other applicable legal requirements. No such Employee Benefit Plan is under audit by the IRS or the U.S. Department of Labor.

(b) All premiums or other payments due for all periods ending on or before the Closing Date have been paid or will be paid with respect to each Employee Benefit Plan that is an Employee Welfare Benefit Plan.

(c) Except for the agreements set forth in Schedule 3.17(c), Seller is not a party to or bound by any employment, change in control or similar type agreement with any employee or service provider.

Section 3.18 Environmental Matters.

(a) As used in this Agreement, "Environmental Laws" means all local, state and federal environmental, health and safety laws and regulations in all jurisdictions in which Seller has done business or owned, leased or operated property, including, without limitation, the Federal Resource Conservation and Recovery Act, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Federal Clean Water Act, the Federal Clean Air Act, and the Federal Occupational Safety and Health Act.

(b) Except as may be disclosed in the Disclosure Schedule, no activity or condition exists at or upon the Seller Real Estate, or to the knowledge of Seller any other real estate owned, as such real estate is classified on the books of Seller ("OREO"), that violates any Environmental Law, and no condition has existed or event has occurred with respect to the Seller Real Estate, or to the knowledge of Seller, any OREO that, with notice or the passage of time, or both, would constitute a violation of any Environmental Law or obligate (or potentially obligate) Seller to remedy, stabilize, neutralize or otherwise alter the environmental condition of any of the Seller Real Estate, or any OREO where the aggregate cost of such actions would be material to Seller. Except as may be disclosed in Schedule 3.18(b), and to the knowledge of Seller, Seller has not received any notice from any person or entity that Seller is or was in violation of any Environmental Law or that Seller is responsible (or potentially responsible) for the cleanup or other remediation of any pollutants, contaminants, or hazardous or toxic wastes, substances or materials at, on or beneath any such property.

Section 3.19 No Undisclosed Liabilities. Seller does not have any material liability, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued,

whether liquidated or unliquidated, and whether due or to become due (and, to the knowledge of Seller, there is no past or present fact, situation, circumstance, condition or other basis for any present or future action, suit or proceeding, hearing, charge, complaint, claim or demand against Seller giving rise to any such liability) required in accordance with GAAP to be reflected in an audited balance sheet of Seller or the notes thereto, except (i) for liabilities set forth or reserved against in the Seller Financial Statements as of January 31, 2018, (ii) for liabilities occurring in the ordinary course of business of Seller since January 31, 2018, (iii) liabilities relating to the possible sale of Seller or other transactions contemplated by this Agreement, and (iv) as may be disclosed in the Disclosure Schedule.

Section 3.20 Litigation. Except as set forth in Schedule 3.20, there is no action, suit, proceeding or investigation pending against Seller or to the best knowledge of Seller threatened against Seller, before any court or arbitrator or any governmental body, agency, or official involving a monetary claim for $25,000 or more or equitable relief (*i.e.*, specific performance or injunctive relief).

Section 3.21 Performance of Obligations. Seller has performed in all material respects all obligations required to be performed by it to date under the Contracts, the Deposits, and the Loan Documents, and Seller is not in material default under, and, to Seller's knowledge, no event has occurred which, with the lapse of time or action by a third party, could result in a material default under, any such agreements or arrangements. For purposes of this Agreement, "Contracts" means the service and maintenance agreements, leases of personal and real property, and any other agreements, licenses and permits to which Seller is a party (including contracts relating to the Safe Deposit Boxes); *provided, however*, that, for purposes of clarification only, such contracts shall not include (1) any Employee Benefit Plans (as defined below) maintained, administered or contributed to or by Seller, or (2) any employment agreements to which the Seller is a party, (collectively, the "Excluded Contracts"). All Excluded Contracts shall be retained by Seller and Buyer assumes no responsibility or liability with respect thereto.

Section 3.22 Compliance with Law. Seller has all licenses, franchises, permits and other governmental authorizations that are legally required to enable it to conduct its business in all material respects and has conducted its business in compliance in all material respects with all applicable federal, state and local statutes, laws, regulations, ordinances, rules, judgments, orders or decrees applicable thereto or to the employees conducting such businesses.

Section 3.23 Brokerage. Except for Seller's agreement with Hovde Group, LLC, there are no existing claims or agreements for brokerage commissions, finders' fees, or similar compensation in connection with the transactions contemplated by this Agreement payable by Seller.

Section 3.24 Interim Events. Except as set forth in Schedule 3.24, since December 31, 2016, Seller has not paid or declared any dividend or made any other distribution to its shareholders or taken any other action which if taken after the date of this Agreement would require the prior written consent of Buyer under Section 7.05 hereof.

Section 3.25 Records. The Records to be delivered to Buyer under Section 3.6 of this Agreement are and shall be sufficient to enable Buyer to conduct a banking business with respect

thereto under the same standards as Seller has heretofore conducted such business. Seller shall not retain any Records except those Records strictly necessary and required for the disposition of its Charter post-Closing and its dissolution or as otherwise allowed by this Agreement. For purposes of this Agreement, "Records" means (i) all open records and original documents, located at the branches, or any other storage location utilized by Seller, relating to the Loans, any account domiciled at the branches through which Seller accepts payments or deposits for credit or deposit to another account domiciled at the branches, safe deposit boxes, the Bank Accounts, the Other Assets, or the Deposits; and (ii) an account history of all accounts related to Deposits, Loans, Cash on Hand, Liquid Assets, the Bank Accounts, and safe deposit boxes. Records includes but is not limited to signature cards, customer cards, customer statements, legal files, pending files, all open account agreements, Retirement Account agreements, safe deposit box records, and computer records

Section 3.26 Community Reinvestment Act. Seller received a rating of "Satisfactory" in its most recent examination or interim review with respect to the Community Reinvestment Act. Seller has not been advised of any supervisory concerns regarding its compliance with the Community Reinvestment Act.

Section 3.27 Insurance. All material insurable properties owned or held by Seller are adequately insured by what Seller believes to be financially sound and reputable insurers in such amounts and against fire and other risks insured against by extended coverage and public liability insurance, as is customary with banks of similar size. Schedule 3.27 sets forth, for each material policy of insurance maintained by Seller the amount and type of insurance, the name of the insurer and the amount of the annual premium. All amounts due and payable under such insurance policies are fully paid, and all such insurance policies are in full force and effect.

Section 3.28 Regulatory Enforcement Matters. Except as may be disclosed in Schedule 3.28, the Seller is not subject to, and has received no notice or advice that it may become subject to, any order, agreement or memorandum of understanding with any federal or state agency charged with the supervision or regulation of banks or bank holding companies or engaged in the insurance of financial institution deposits or any other governmental agency having supervisory or regulatory authority with respect to Seller.

Section 3.29 Regulatory Approvals. The information furnished or to be furnished by Seller for the purpose of enabling Seller or Buyer to complete and file all requisite regulatory applications is or will be true and complete as of the date so furnished. There are no facts known to the Seller which Seller has not disclosed to the Buyer in writing which may have a Material Adverse Effect on the ability of the Buyer or Seller to obtain all requisite regulatory approvals or to perform its obligations pursuant to this Agreement.

Section 3.30 Representations Regarding Financial Condition.

(a) Seller is not entering into this Agreement in an effort to hinder, delay or defraud their creditors.

(b) Seller is not insolvent.

(c) Seller has no intention to file proceedings for bankruptcy, insolvency or

any similar proceeding for the appointment of a receiver, conservator, trustee, or guardian with respect to its business or assets prior to the Closing.

Section 3.31 Limitation of Warranties. EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, SELLER EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE FIXED ASSETS OR WITH RESPECT TO ANY OTHER ASSETS BEING TRANSFERRED TO OR LIABILITIES BEING ASSUMED BY BUYER (EXCLUDING THE REAL ESTATE), INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

Section 3.32 Disclosure. No representation or warranty contained in this Article 3 and no statement or information relating to Seller or any assets or liabilities contained in (i) this Agreement (including the Schedules and Exhibits hereto), or (ii) in any certificate or document furnished or to be furnished by or on behalf of Seller to Buyer pursuant to this Agreement, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements made herein or therein, in light of the circumstances in which they were made, not misleading.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES CONCERNING BUYER

As a material inducement to Seller to enter into and perform its obligations under this Agreement, Buyer represents and warrants to Seller as follows:

Section 4.1 Organization. Buyer is a Florida state chartered credit union (federally insured by the NCUA) duly organized, validly existing, and in good standing (to the extent applicable) under the laws of the State of Florida with full power and authority to carry on its business as now being conducted and to own and operate the properties which it now owns and/or operates. The execution, delivery and performance by Buyer of this Agreement are within Buyer's power, have been duly authorized by all necessary corporation action. This Agreement has been duly executed and delivered by Buyer and constituted the valid and legally binding obligation of Buyer, enforceable against it in accordance with its terms, subject to the General Exceptions.

Section 4.2 Authorization; No Violations. The execution and delivery of this Agreement and the performance of Buyer's obligations hereunder have been duly and validly authorized by the board of directors of Buyer, do not violate or conflict with Buyer's charter or by-laws, any applicable law, court order or decree to which Buyer is a party or subject, or by which Buyer is bound, and require no further corporate or member approval on the part of Buyer. The execution and delivery of this Agreement and the performance of Buyer's obligations hereunder do not and will not result in any default or give rise to any right of termination, cancellation or acceleration under any material note, bond, mortgage, indenture or other agreement by which Buyer or its respective properties are bound, which would reasonably be expected to have a Buyer Material Adverse Effect. This Agreement, when executed and

delivered, and subject to the approvals described in Section 4.3, will be a valid, binding and enforceable obligation of Buyer, subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors generally and to general principles of equity.

Section 4.3 Regulatory Approvals. The information furnished or to be furnished by Buyer for the purpose of enabling Seller or Buyer to complete and file all requisite regulatory applications is or will be true and complete as of the date so furnished. Except as set forth in the Schedule 4.3, there are no facts known to the Buyer which, insofar as Buyer can now reasonably foresee, may have a Material Adverse Effect on the ability of the Buyer to obtain all requisite regulatory approvals or to perform its obligations pursuant to this Agreement.

Section 4.4 Licenses; Permits. Buyer and its subsidiaries hold all material licenses, certificates, permits, franchises and rights from all appropriate federal, state or other Governmental Authorities necessary for the conduct of their respective businesses as currently conducted and the ownership of their respective current assets. There is no pending, or to Buyer's knowledge threatened, litigation against Buyer and its subsidiaries seeking to challenge or prohibit the transactions contemplated by this Agreement.

Section 4.5 Financial Ability. On the Effective Date, Buyer will have all funds necessary to consummate the Merger and pay the Merger Consideration payable hereunder and will be "well capitalized" under the NCUA and FFIC upon consummation of the transactions contemplated by this Agreement.

Section 4.6 Litigation. There is no action, suit, proceeding or investigation pending against Buyer, or to the knowledge of Buyer, threatened against or affecting Buyer, before any court or arbitrator or any governmental body, agency or official which alone or in the aggregate would, if adversely determined, adversely affect the ability of Buyer to perform its obligations under this Agreement, which in any manner questions the validity of this Agreement or which could have a Material Adverse Effect on the financial condition of Buyer. Buyer is not aware of any facts that would reasonably afford a basis for any such action, suit, proceeding or investigation.

Section 4.7 Financial Information. The audited consolidated balance sheet of Buyer as of December 31, 2016, and the related audited consolidated income statement for the year ended December 31, 2016, together with the notes thereto, and/or the unaudited periodic financial statements of Buyer as of December 31, 2017 and January 31, 2018, copies of which have been provided to Seller, have been prepared in accordance with GAAP and fairly present, in all material respects, the consolidated financial position and the consolidated results of operations and cash flows of Buyer as of the dates and for the periods indicated.

Section 4.8 No Omissions. None of the representations and warranties contained in Article 4 or in the Schedules provided for herein by Buyer is false or misleading in any material respect or omits to state a fact herein necessary to make such statements not misleading in any material respect.

ARTICLE 5

AGREEMENTS AND COVENANTS

Section 5.1 Operation in Ordinary Course. From the date hereof to the Closing Date, Seller shall: (a) not engage in any transaction affecting the Seller's locations, the Deposits, liabilities, or the assets except in the ordinary course of business, and shall operate and manage its business in the ordinary course consistent with past practices; (b) use reasonable best efforts to maintain the Seller's locations in a condition substantially the same as on the date of this Agreement, reasonable wear and use excepted; (c) maintain its books of accounts and records in the usual, regular and ordinary manner; and (d) use reasonable best efforts to duly maintain compliance with all laws, regulatory requirements and agreements to which it is subject or by which it is bound. Without limiting the generality of the foregoing, prior to the Closing Date, Seller shall not, unless required by any Regulator or with the prior written consent of Buyer, which consent shall not be unreasonably withheld or delayed and provided however, if consent is withheld, Buyer must notify Seller in writing within three (3) business days of the request or such inaction shall be considered the equivalent of prior written consent:

(a) fail to maintain the Fixed Assets and Real Estate in their present state of repair, order and condition, reasonable wear and tear and casualty excepted;

(b) fail to maintain its financial books, accounts and records in accordance with GAAP;

(c) fail to charge off assets in accordance with GAAP;

(d) fail to comply, in all material respects, with all applicable laws and regulations relating to its operations;

(e) make any changes to the capitalization of the Seller, including, but not limited to authorizing additional shares of Seller common stock, making any changes to Seller stock option plan, including issuing any Seller stock options, and/or issuing any preferred shares of Seller (but expressly excluding issuance of Seller's common stock upon the exercise of Seller stock options outstanding as of the date of this Agreement);

(f) authorize or enter into any contract or amend, modify or supplement any contract relating to or affecting its operations or involving any of the assets or liabilities which obligates Seller to expend $15,000 or more;

(g) take any action, or enter into or authorize any transaction, other than in the ordinary course of business and consistent with past practice, relating to or affecting its operations or involving any of the assets or liabilities;

(h) knowingly and voluntarily doing any act which, or knowingly and voluntarily omitting to do any act the omission of which, likely would result in a breach of any material contract, commitment or obligation of Seller;

(i) make any changes in its accounting systems, policies, principles or

practices relating to or affecting its operations or involving any of the assets or liabilities, except in accordance with GAAP and regulatory requirements;

(j) enter into or renew any data processing service contract;

(k) engage or participate in any material transaction or incur or sustain any material obligation except in the ordinary course of business;

(l) make any new (1) Business Loan in excess of $500,000, (2) Residential Mortgage Loan in excess of $500,000, (3) Home Equity Loan with a loan to value ratio in excess of 80% or in excess of $250,000, (4) any Unsecured Loan or Auto Receivable in excess of $49,999, or (5) Loan which is not made in the ordinary course of business; provided, however, that notwithstanding the foregoing, Seller shall have the authority to renew or modify existing performing Loans with the prior approval of Buyer after reviewing a complete loan package for such renewal or modification, in a form consistent with the Seller's policies and practice, at least five (5) business days prior to the commitment of such Loan;

(m) undertake any actions which are inconsistent with a program to use all reasonable efforts to maintain good relations with its employees and customers;

(n) transfer, assign, encumber, or otherwise dispose of, or enter into any contract, agreement, or understanding to transfer, assign, encumber, or otherwise dispose of, any of the assets except in the ordinary course of business;

(o) invest in any Fixed Assets or improvements except for commitments previously disclosed to Buyer in writing, made on or before the date of this Agreement for replacements of furniture, furnishings and equipment, normal maintenance and refurbishing, purchased or made in the ordinary course of business and for emergency and casualty repairs and replacements;

(p) increase or agree to increase the salary, remuneration, or compensation of its employees or pay or agree to pay any bonus to any such employees, other than cost of living increases to employees in the ordinary course of business that do not provide for an overall payroll increase of more than 2.0% per annum;

(q) except as expressly provided for elsewhere in this Agreement or Schedule 5.1(p), pay incentive compensation or interim bonuses to employees;

(r) enter into any new employment agreements with employees of Seller or any consulting or similar agreements with directors of Seller; provided, however, that Seller shall be permitted to engage the assistance of temporary or contract employees, to the extent Seller deems necessary, to assist Seller in the performance of its obligations under this Agreement;

(s) modify any existing employment agreements with employees of Seller or any consulting or similar agreements with directors of Seller, including, but not limited to change of control agreements and provisions;

(t) fail to use its reasonable best efforts to preserve its present operations

intact, keep available the services of its present officers and employees or to preserve its present relationships with persons having business dealings with it;

(u) amend or modify any of its promotional, deposit account or practices other than amendments or modifications in the ordinary course of business or otherwise consistent with the provisions of this Agreement;

(v) fail to maintain deposit rates substantially in accord with past standards and practices;

(w) accept new public deposits with a maturity longer than September 30, 2018;

(x) change or amend its schedules or policies relating to service charges or service fees;

(y) fail to comply in all material respects with the Contracts;

(z) except in the ordinary course of business (including creation of deposit liabilities, enter into repurchase agreements, purchases or sales of federal funds, and sales of certificates of deposit), borrow or agree to borrow any material amount of funds or directly or indirectly guarantee or agree to guarantee any material obligations of others except pursuant to outstanding letters of credit; *provided, however*, the Seller shall not take any additional FHLB advances other than overnight or other short-term (less than 90 days) advances, which shall not exceed 10% of the total assets of Seller in the aggregate, except that any additional advance shall not have a maturity later than September 30, 2018;

(aa) without Buyer's prior approval, which shall not be unreasonably withheld, purchase or otherwise acquire any investment security for their own account or purchase or otherwise acquire any security other than U.S. Treasury or other governmental obligations or asset-backed securities issued or guaranteed by United States governmental or other governmental agencies, the Federal Home Loan Bank, Fannie Mae, Freddie Mac, or Federal Farm Credit Bureau, in either case having a stated maturity of ten years or less, or engage in any activity that would be inconsistent with the classification of investment securities as either "held to maturity" or "available for sale";

(bb) except as required by applicable law or regulation: (1) implement or adopt any material change in its interest rate risk management and hedging policies, procedures or practices; (2) fail to follow its existing policies or practices with respect to managing its exposure to interest rate risk; or (3) fail to use commercially reasonable means to avoid any material increase in its aggregate exposure to interest rate risk; or

(cc) voluntarily take any action that would change Seller's Loan loss reserves which is not in compliance with Seller's past practices consistently applied and in compliance with GAAP.

Section 5.2 Access to Information.

(a) To the extent permissible under applicable law and pending the Closing, representatives of Buyer shall, during normal business hours and on reasonable advance notice to Seller, be given reasonable access to Seller's records and business activities and be afforded the opportunity to observe their business activities and consult with their officers, employees and vendors regarding the same on an ongoing basis and to plan integration and transitional matters; provided, however, that the foregoing actions do not interfere with the business operations of Seller. Buyer will, and will direct all of its agents, employees and advisors to, maintain the confidentiality of all such information in accordance with Section 10.3.

(b) Notwithstanding anything contained herein to the contrary, Seller shall not be required to provide access or disclose information where such access or disclosure would violate or prejudice the rights of its customers, jeopardize the attorney-client privilege of Seller, relates to confidential Regulator examination material, or contravene any law, rule, regulation, order, judgment, decree, fiduciary duty or binding agreement entered into prior to the date of this Agreement or in the ordinary course of business.

Section 5.3 Meeting of Shareholders of Seller; Dissenters. Seller shall call within sixty (60) days following the date of this Agreement, a meeting of its shareholders for the purpose of voting upon this Agreement, the Merger and the Consolidation Merger herein contemplated in accordance with Seller's charter, its by-laws and the FBCA and the FFIC (the "Shareholders Meeting") (with the Shareholders Meeting to be held no later than thirty (30) days following the mailing of the proxy materials related thereto). Subject to Section 5.7, Seller shall, through the Seller's board, recommend to its shareholders, except under circumstances in which the Seller board determines, after consultation with outside legal counsel, that doing so is reasonably likely to result in a breach of its fiduciary duties under applicable law, adoption of this Agreement and the Merger. The Seller shall prepare and mail to its shareholders in connection with the Shareholders Meeting a proxy statement reasonably acceptable to Buyer and Seller and in compliance with applicable law (the "Proxy Statement"). In accordance with FBCA and the FFIC, in connection with the Shareholders Meeting, Seller will notify its shareholders of record for purposes of the Shareholders Meeting of their appraisal rights under the Dissenting Laws in the Proxy Statement or otherwise. The Seller will give Buyer prompt written notice of any written notice or demands for appraisal for any Seller common stock, any attempted withdrawals of such demands and any other notice given or instrument served relating to the exercise of dissenters' rights granted under the Dissenting Laws, including the name of each dissenting stockholder and the number of shares of Seller common stock to which the dissent relates.

Section 5.4 Regulatory Filings. As promptly as practicable after the date of this Agreement, but no later than thirty (30) days after the date hereof, Buyer and Seller shall file all applications, filings, notices, consents, permits, requests, or registrations required to obtain authorizations of any Regulator and consents of all third parties necessary to consummate the Merger and Consolidation Merger. Buyer and Seller will use their reasonable and diligent efforts to obtain such authorizations from the Regulators and consents from third parties as promptly as practicable and will consult with one another with respect to the obtaining of all such authorizations and consents necessary or advisable to consummate the Merger. Seller and Buyer agree to use their reasonable and diligent efforts to cooperate in connection with obtaining such authorizations and consents. Each party will keep the other party apprised of the status of

material matters relating to completion of the Merger. Copies of applications and correspondence of each party with its Regulators shall be promptly provided to the other party. Each of Buyer and Seller agrees, upon request, to furnish the other party with all information concerning itself and its respective directors, officers and shareholders and such other matters as may be reasonably necessary or advisable in connection with any filing, notice or application made by or on behalf of Buyer or Seller to any third party or the Regulator.

Section 5.5 Reasonable Best Efforts. Subject to the terms and conditions of this Agreement, the Parties shall use reasonable best efforts to satisfy the various conditions to Closing and to consummate the Merger as soon as reasonably practicable. None of the Parties will intentionally take or intentionally permit to be taken any action that would be in breach of the terms or provisions of this Agreement (including any action that would impair or impede the timely obtainment of the regulatory approvals referenced in Sections 7.4 and 8.4) or that would cause any of the representations contained herein to be or become untrue.

Section 5.6 Business Relations and Publicity. Seller shall use reasonable best efforts to preserve the reputation and relationship of Seller with suppliers, clients, customers, employees, and others having business relations with Seller. Buyer and Seller shall coordinate all publicity relating to the transactions contemplated by this Agreement and, except as otherwise required by applicable law or with respect to employee information meetings conducted on a need-to-know basis, neither Party shall issue any press release, publicity statement or other public notice or communication, whether written or oral, relating to this Agreement or any of the transactions contemplated hereby without obtaining the prior consent of the other, which consent shall not be unreasonably withheld, conditioned or delayed. Nothing herein shall impose any restrictions or limitations on Buyer with respect to disclosures that are required by any state or federal securities law.

Section 5.7 No Conduct Inconsistent with this Agreement.

(a) Seller shall not during the term of this Agreement, directly or indirectly, solicit, facilitate or encourage inquiries or proposals or enter into any agreement with respect to, or initiate or participate in any negotiations or discussions with any person or entity concerning, any proposed transaction or series of transactions involving or affecting Seller (or the securities or assets of it) that, if effected, would constitute an acquisition of control of either Seller within the meaning of 12 U.S.C. § 1817(j) (disregarding the exceptions set forth in 12 U.S.C. § 1817(j)(17)) and the regulations of the Federal Reserve thereunder (each, an "Acquisition Proposal"), or furnish any information to any person or entity proposing or seeking an Acquisition Proposal.

(b) Notwithstanding the foregoing, in the event that the Seller board determines in good faith and after consultation with outside legal counsel, that an Acquisition Proposal which was not solicited by or on behalf of Seller and did not otherwise result from a breach of Section 5.7(a) constitutes or is reasonably likely to result in a Superior Acquisition Proposal and that failure to pursue such Acquisition Proposal could result in a breach of its fiduciary duties under applicable law, the Seller board may, so long as Seller complies at all times with its obligations under Section 5.7(c), (i) furnish information with respect to Seller to such person or entity making such Acquisition Proposal pursuant to a customary confidentiality

agreement, (ii) participate in discussions or negotiations regarding such Acquisition Proposal, (iii) withdraw, modify or otherwise change in a manner adverse to Buyer, Seller's recommendation to its shareholders with respect to this Agreement, the Merger contemplated by this Agreement, and/or (iv) terminate this Agreement in order to concurrently enter into an agreement with respect to such Acquisition Proposal; provided, however, that the Seller board may not terminate this Agreement pursuant to this Section 5.7(b) unless and until (A) five (5) business days have elapsed following the delivery to Buyer of a written notice of such determination by the Seller board and during such five (5) business-day period, Seller otherwise cooperates with Buyer with the intent of enabling the Parties to engage in good faith negotiations so that the Merger and other transactions contemplated hereby may be effected, and (B) at the end of such five (5) business-day period the Seller board continues, in good faith and after consultation with outside legal counsel, to believe the Acquisition Proposal at issue constitutes a Superior Acquisition Proposal. A "Superior Acquisition Proposal" shall mean an Acquisition Proposal (excluding any Acquisition Proposal the terms of which were made known to the Seller board prior to the date of this Agreement) containing terms which the Seller board determines, in its good faith judgment, to be more favorable from a financial perspective than the Merger.

(c) In addition to the obligations of Seller set forth in Section 5.7(a) and 5.7(b), Seller shall immediately advise Buyer orally and in writing of any request for information or of any Acquisition Proposal, the material terms and conditions of such request or Acquisition Proposal and the identity of the person or entity making such request or Acquisition Proposal. Seller shall keep Buyer reasonably informed of the status and details (including amendments or proposed amendments) of any such request or Acquisition Proposal, including the status of any discussions or negotiations with respect to any Superior Acquisition Proposal.

Section 5.8 Board and Committee Meeting Minutes. Seller shall provide Buyer with copies of minutes and consents from all of its board and committee meetings (if any) no later than seven (7) days thereafter except for any confidential discussion of this Agreement and the transaction contemplated hereby or any third party proposal to acquire control of Seller or any other matter that has been determined to be confidential, and except for information where such disclosure would violate or prejudice the rights of its customers, jeopardize the attorney-client privilege of Seller, relates to confidential Regulator examination material, or contravene any law, rule, regulation, order, judgement, decree, fiduciary duty or binding agreement entered into prior to the date of this Agreement or in the ordinary course of business.

Section 5.9 Disclosure Schedules, Updates and Notifications.

(a) From and after the date hereof to the Effective Time, if any Party becomes aware of any facts, circumstances or of the occurrence or impending occurrence of any event that does or could reasonably be expected to cause one or more of such Party's representations and warranties contained in this Agreement to be or to become inaccurate, misleading, incomplete or untrue in any material respect as of the Closing Date, such Party shall promptly give detailed written notice thereof to the other Parties and use reasonable and diligent efforts to change such facts or events to make such representations and warranties true, unless the same shall have been waived in writing by the other Party. In addition, from and after the date hereof to the Effective Time, and at and as of the Effective Time, each Party shall supplement or amend any of its representations and warranties which apply to the period after the date hereof by delivering

monthly written updates ("Disclosure Schedule Updates") to the other Party with respect to any matter hereafter arising and not disclosed herein or in the Schedules that would render any such representation or warranty after the date of this Agreement materially inaccurate or incomplete as a result of such matter arising. The Disclosure Schedule Updates shall be provided by each Party to the other Parties on or before the 25th day of each calendar month. A matter identified in a Disclosure Schedule Update that causes any warranty or representation to be breached shall not cure or be deemed to cure such breach.

(b) Seller's disclosure of a matter in the Schedules, including, without limitation, the disclosure of a pending litigation matter, regulatory proceeding, governmental audit or investigation or potential environmental condition, shall not prevent any future adverse development that may occur with respect to such matter from being a breach of the warranties and representations contained in Article 3 or in the Schedules.

(c) Buyer's disclosure of a matter in the Schedules shall not prevent any future adverse development that may occur with respect to such matter from being a breach of the warranties and representations contained in Article 4 or in the Schedules or a Buyer Material Adverse Effect.

Section 5.10 Indemnification.

(a) For a period of five (5) years after the Closing Date, Buyer shall indemnify, defend and hold harmless: (i) the present and former directors, officers and employees of the Seller, and all such directors, officers and employees of the Seller and its subsidiaries serving as fiduciaries under any of the respective benefits plans of the Seller (the "Indemnified Parties") to the fullest extent allowable under the FBCA against all costs and expenses (including reasonable attorneys' fees, expenses and disbursements), judgements, fines, losses, claims, damages, settlements or liabilities incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative (each, a "Claim"), arising out of or pertaining to the fact that the Indemnified Party is or was a director, officer, employee, or fiduciary of Seller or its subsidiaries or any such benefit plan or is or was serving at the request of Seller and its subsidiaries as a director, officer, manager, employee, trustee or agent of any other corporation, limited liability company, partnership, joint venture, trust or other business or non-profit enterprise (including any Employee Benefit Plan), whether asserted or claimed prior to, at or after the Closing Date (including with respect to the consummation of the transactions contemplated by this Agreement), and provide advancement of expenses to the Indemnified Parties (provided that the Indemnified Party to whom expenses are advanced provides an undertaking to repay advances if it shall be determined that such Indemnified Party is not entitled to be indemnified pursuant to the FBCA).

(b) Buyer shall use its best efforts (and Seller shall cooperate prior to the Closing Date) to maintain in effect for a period of at least five (5) years after the Closing Date, Seller's existing directors' and officers' liability insurance policy (provided that Buyer may substitute therefor (i) policies with comparable coverage and amounts containing terms and conditions which are substantially no less advantageous or (ii) with the consent of Seller (given prior to the Closing Date) any other policy with respect to claims arising from facts or events which occurred on or prior to the Closing Date and covering persons who are currently covered

by such insurance) provided, that Buyer shall not be obligated to make premium payments for such five (5) year period in respect of such policy (or coverage replacing such policy) which exceed, for the portion related to Seller's directors and officers, $20,000 (the "Maximum Amount"). If the amount of premium that is necessary to maintain or procure such insurance coverage exceeds the Maximum Amount, Buyer shall use its reasonable best efforts to maintain the most advantageous policies of director's and officer's liability insurance obtainable for a premium equal to the Maximum Amount or may request Seller to procure tail coverage, at Buyer's expense, at a single premium cost equal to the Maximum Amount.

(c) Any Indemnified Party wishing to claim indemnification under this Section 5.10 shall promptly notify Buyer upon learning of any Claim, provided that failure to so notify shall not affect the obligation of Buyer under this Section 5.10 unless, and only to the extent that, Buyer is actually and materially prejudiced in the defense of such Claim as a consequence. In the event of any such Claim (whether arising before or after the Effective Time), (i) Buyer shall have the right to assume the defense thereof and Buyer shall not be liable to such Indemnified Parties for any legal expenses of other counsel or any other expenses subsequently incurred by such Indemnified Parties in connection with the defense thereof, unless such Indemnified Party is advised in writing by counsel that the defense of such Indemnified Party by Buyer would create an actual or potential conflict of interest (in which case, Buyer shall not be obligated to reimburse or indemnify any Indemnified Party for the expenses of more than one such separate counsel for all Indemnified Parties, in addition to one local counsel in the jurisdiction where defense of any Claim has been or is to be asserted), (ii) the Indemnified Parties will cooperate in the defense of any such matter, (iii) Buyer shall not be liable for any settlement effected without its prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed) and Buyer shall not settle any Claim without such Indemnified Party's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed), and (iv) Buyer shall have no obligation hereunder in the event that a federal or state banking agency or a court of competent jurisdiction shall determine that indemnification of an Indemnified Party in the manner contemplated hereby is prohibited by applicable laws and regulations.

(d) If Buyer or any of its successors and assigns (i) shall consolidate with or merge into any other corporation or entity and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) shall transfer all or substantially all of its property and assets to any individual, corporation or other entity, then, in each such case, proper provision shall be made so that the successors and assigns of Buyer and its Subsidiaries shall assume the obligations set forth in this Section 5.10.

(e) These rights shall survive consummation of the Merger and are intended to benefit, and shall be enforceable by, each Indemnified Party and his or her heirs representatives or administrators. After the Closing, the obligations of Buyer under this Section 5.10 shall not be terminated or modified in such a manner as to adversely affect any Indemnified Party unless the affected Indemnified Party shall have consented in writing to such termination or modification. If any Indemnified Party makes any claim for indemnification or advancement of expenses under this Section 5.10 that is denied by Buyer, and a court of competent jurisdiction determines that the Indemnified Party is entitled to such indemnification or advancement of expense, then Buyer shall pay such Indemnified Party's costs and expenses, including legal fees

and expenses, incurred in connection with enforcing such claim against Buyer. If any Indemnified Party makes any claim for indemnification or advancement of expenses under this Section 5.10 that is denied by Buyer, and a court of competent jurisdiction determines that the Indemnified Party is not entitled to such indemnification or advancement of expense, the Indemnified Party shall pay Buyer's costs and expenses, including legal fees and expenses, incurred in connection with defending such claim against the Indemnified Party.

(f) Nothing in this Agreement is intended to, shall be construed to or shall release, waive or impair any rights to directors' and officers' insurance claims under any policy that is or has been in existence with respect to Seller or any of its subsidiaries for any of its respective directors, officers or other employees, it being understood and agreed that the indemnification provided for in this Section 5.10 is not prior to or in substitution for any such claims under such policies.

Section 5.11 Financial Statements. Prior to the Closing Date, Seller shall deliver to Buyer a monthly balance sheet and income statement of Seller as of the end of each month promptly after they become available, the audited financial statements, including the audit report for the full year of 2017 and management letter within ten (10) days of its completion, the monthly watch list for Seller's Loans, Seller's monthly loan delinquency report, and Seller's monthly ALLL report. Such monthly financial statements shall be prepared consistent with past practice and in conformity in all material respects with GAAP (excluding footnote disclosure and subject to normal, recurring year-end adjustments) applied on a basis consistent with the Seller Financial Statements described in Section 3.3.

Section 5.12 Benefit Plans. To the extent permitted by applicable legal requirements, upon the written request of Buyer, Seller shall make such changes to the Benefit Plans and shall take such actions with respect to the Benefit Plans as may be necessary to amend or terminate any Benefit Plan on or before the Closing on terms reasonably acceptable to Buyer; provided, however, that Seller shall not be obligated to take any such required action that is irrevocable until immediately prior to the Effective Time. Specifically, and in accordance with applicable laws, rules, regulations and plan documents, prior to the Effective Time:

(a) Buyer will pay in cash at Closing to the holders of stock options the amounts contemplated pursuant to Section 2.1;

(b) All restricted shares of capital stock or other capital stock equivalents of Seller will be vested, forfeited, surrendered or terminated, and any related equity-based compensation or similar plans maintained by Seller with respect thereto or otherwise will have been terminated; and

Section 5.13 Pre-Closing Adjustments. Seller agrees that it shall: (a) make any accounting adjustments or entries to its books of account and other financial records; (b) make or not make additional provisions to Seller's allowance for Loan and lease losses; (c) sell or transfer any investment securities held by it; (d) charge-off any Loan; (e) create any new reserve account or make additional provisions to any other existing reserve account; (f) make changes in any accounting method; (g) accelerate, defer or accrue any anticipated obligation, expense or income item; and (h) make any other adjustments which would affect the financial reporting of the

Seller, on a consolidated basis after the Effective Time, in any case as Buyer shall reasonably request; provided, however, that Seller shall not be obligated to take any such requested action until immediately prior to the Closing and at such time as Seller shall have received reasonable assurances in writing that all conditions precedent to Buyer's obligations under this Agreement (except for the completion of actions to be taken at the Closing) have been satisfied, and no such adjustment which Seller would not have been required to make but for the provisions of this Section 5.13 in and of itself shall result in a breach of any warranty or representation made herein, have any effect on the Seller's Minimum Equity, change the amount of the Merger Consideration to be paid to the Holders pursuant to Section 2.1, or delay the Closing or Buyer's receipt of the required regulatory approvals of the Merger and all other transactions contemplated by this Agreement.

Section 5.14 Tax Returns and Tax Filings. Seller shall not make any election inconsistent with prior tax returns or elections or settle or compromise any liability with respect to taxes without prior written notice to Buyer or as otherwise required by applicable law. Seller shall timely file all tax returns required to be filed prior to the Closing; provided, however, that each such Tax Return shall be delivered to Buyer for its review at least fifteen (15) business days prior to the anticipated date of filing of such Tax Return. Following the Effective Time, Buyer shall prepare (or cause to be prepared) and timely file (or cause to be timely filed) all tax returns for Seller for all periods ending on or before the Effective Time that are required to be filed by Seller after the Effective Time. If Seller or the Continuing Entity is permitted or required, under applicable federal, state or local income Tax laws, to treat the Closing Date as the last day of a taxable period, then such day shall be treated as the last day of a taxable period.

Section 5.15 Transaction Expenses and Tax Accrual. Immediately prior to the Closing, the Seller shall pay or accrue the Transaction Expenses. Further, Seller shall accrue all tax liability, including tax liability attributable to the transactions contemplated by this Agreement.

Section 5.16 Deferred Tax Asset of Seller. Prior to the Closing, Seller shall, in accordance with the Code, as amended from time to time, adjust the carrying value of Seller's deferred tax asset, as such item is reflected on the Seller's financial statements, to reflect the revised value of the deferred tax asset pursuant to the current corporate tax rate.

Section 5.17 Transition Marketing and Communications. Each of Buyer and Seller agree that within fourteen (14) days of the execution of this Agreement, designated representatives of Buyer and Seller shall hold a joint meeting to coordinate, develop and establish a comprehensive marketing and communication plan under which Buyer and Seller will work together to communicate the benefits of the transaction to their respective customers, employees, directors, officers and local communities. Further, Buyer and Seller warrant that they and their employees, officers and directors will not intentionally or by acting with gross negligence take any action that damages, disparages or otherwise diminishes the reputation or business practices of either party or its employees, nor to solicit or otherwise encourage Seller's customers or potential customers to cease or reduce their business with Seller. The plan developed pursuant to this Section 5.17 shall include an introduction plan under which Seller and its management shall facilitate introductions of Buyer and its designated representatives to Seller's primary customers, as mutually agreed upon by Buyer and Seller.

Section 5.18 Commercial Loan Portfolio Review. Prior to the Closing, Buyer shall have received current financial review and analysis of Seller's commercial loan portfolio based on guidelines in Seller's loan policy. Seller shall use its reasonable best efforts to collect and present the 2016 financial data to Buyer to the extent the same is available to Seller.

Section 5.19 Geographic Analysis of Seller's Customers. As soon as practicable following the signing of this Agreement, Seller shall provide Buyer with a complete geographic analysis of Seller's customer base to facilitate Buyer's field of membership analysis.

ARTICLE 6

EMPLOYEE BENEFIT MATTERS

Section 6.1 Employees.

(a) Buyer shall offer substantially similar salaries, duties and benefits as are available to similarly situated employees of Buyer, to those employees of Seller who Buyer elects to hire and who satisfy Buyer's customary employment requirements, including pre-employment interviews, investigations and employment conditions, uniformly applied by Buyer and Buyer's employment needs. Buyer and Seller will establish a mutually acceptable process for the orderly interviewing of employees for employment by Buyer; Seller will give Buyer a reasonable opportunity to interview the employees.

(b) Buyer shall assume and honor all of Seller's obligations under the Consolidated Omnibus Reconciliation Act of 1985 or any applicable state law to Former Seller Employees (as defined below) with respect to continuation of healthcare coverage following the Closing Date and Seller's obligations under the Health Insurance Portability and Accountability Act of 1996.

(c) Before Closing, with Seller's prior consent (which consent shall not be unreasonably withheld), Buyer may conduct such training and other programs as it may, in its reasonable discretion and at its sole expense, elect to provide for those employees who accept an offer of employment from Buyer; *provided, however*, that such training and other programs shall not interfere with or prevent the performance of the normal business operations of Seller in any material respects.

(d) Buyer agrees that those employees of Seller who become employees of Buyer on the Closing Date ("Former Seller Employees"), while they remain employees of Buyer after the Closing Date will be provided with benefits under Employee Benefit Plans during their period of employment which are no less favorable in the aggregate than those provided by Buyer to similarly situated employees of Buyer except as otherwise provided herein. Except as hereinafter provided, at the Closing Date, Buyer will amend or cause to be amended each employee benefit and welfare plan of Buyer in which Former Seller Employees are eligible to participate, to the extent necessary and allowable under applicable law, so that as of the Closing Date:

(i) such plans take into account for purposes of eligibility, participation, vesting, and benefit accrual (except that there shall not be any benefit

accrual for past service under any qualified defined benefit pension plan), the service of such employees with Seller as if such service were with Buyer;

(ii) Former Seller Employees are not subject to any waiting periods or pre-existing condition limitations under the medical, dental and health plans of Buyer in which they are eligible to participate and may commence participation in such plans on the Closing Date and receive credit under such plans for expenses incurred by such Former Seller Employees and their covered dependents in the year that includes the Closing (or, if later, the year in which the Former Seller Employees are first eligible to participate) for purposes of any applicable co-payment; deductibles and annual out-of-pocket expense requirements under any such plans;

(iii) for purposes of determining the entitlement of Former Seller Employees to sick leave and vacation pay following the Closing Date, the service of such employees with Seller shall be treated as if such service were with Buyer;

(iv) Former Seller Employees are first eligible to participate and will commence participating in Buyer's qualified retirement plans on the first entry date coinciding with or following the Closing Date; and

(v) Former Seller Employees may elect to bring over unused PTO in an amount not to exceed an amount granted to such Former Seller Employee for a calendar year.

Section 6.2 Employment Contracts and Employee Benefit Plans. Buyer is not assuming, nor shall it have responsibility for the continuation of, any liabilities under or in connection with:

(a) any employment or consulting contract, collective bargaining agreement, supplemental employee retirement plan, plan or arrangement providing for insurance coverage or for deferred compensation, bonuses, or other forms of incentive compensation or post-retirement compensation or benefits, written or implied, which is entered into or maintained, as the case may be, by Seller; or

(b) any Employee Benefit Plan as maintained, administered, or contributed to by Seller and covering any employees.

Section 6.3 Other Employee Benefit Matters.

(a) For purposes of any vesting determinations in connection with a qualified defined contribution plan of Buyer, service with Seller prior to the Closing Date shall be counted. For purposes of eligibility to participate in any matching contribution under a qualified defined contribution plan of Buyer, Seller's employees shall be eligible on terms and conditions consistent with those then currently provided by Buyer to its other similarly-situated employees based on their employment date with Buyer.

(b) If, within six (6) months after the Closing Date, any Former Seller Employee who does not have an employment agreement with the Buyer is terminated by the

Buyer other than "for cause" or as a result of unsatisfactory job performance, then the Buyer shall pay severance, either lump sum or on a per pay period basis, in Buyer's sole discretion, to such Former Seller Employee in accordance with the severance terms set forth on Schedule 6.3(b) of this Agreement. Any severance to which a Former Seller Employee may be entitled in connection with a termination occurring more than six (6) months after the Closing Date will be as set forth in the severance policies of the Buyer as then in effect. Notwithstanding the foregoing, no severance shall be paid to any Former Seller Employee who is entitled to receive a change of control payment in connection with the transactions contemplated by this Agreement.

(c) Not later than thirty (30) days prior to the Closing Date, Buyer shall provide Disclosure Schedule 6.3(c) setting forth the names of the Former Seller Employees with whom the Buyer shall pay a stay bonus after the Closing and also sets forth the compensation to be paid to each such Former Seller Employee by Buyer, which shall be in addition to any severance payment such Former Seller Employee shall otherwise be entitled to pursuant to Section 6.3(b).

(d) Disclosure Schedule 6.3(d) lists the change in control payments that will be made by the Seller under the Seller employment and change in control agreements immediately prior to the Closing for the CEO and CFO.

(e) As of the date of this Agreement, Brenda M. O'Neil and the Buyer have entered into the Non-Competition Agreement in the form of that attached to this Agreement as Exhibit B.

(f) At the Closing, the Buyer shall continue the operation of the Seller's 401(k) plan until such time as the participants thereunder can be enrolled in the Buyer's 401(k) plan.

ARTICLE 7

CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER

Unless the conditions are waived by Buyer, all obligations of Buyer under this Agreement are subject to the fulfillment, on or before the Closing, of each of the following conditions:

Section 7.1 Performance. Each of the acts and undertakings and covenants of the Seller to be performed at or before the Closing pursuant to this Agreement shall have been duly performed in all material respects.

Section 7.2 Representations and Warranties. The representations and warranties of the Seller contained in Article 3 of this Agreement shall be true, correct and complete in all material respects on and as of the Closing Date (unless they speak to an earlier date) with the same effect as though made on and as of the Closing Date, except to the extent that inaccuracies in those representations and warranties do not have a Material Adverse Effect on Seller.

Section 7.3 Closing Certificate. Buyer shall have received a certificate of Seller

signed by the chief executive officer or the chief financial officer of Seller, dated as of the Closing Date, certifying in such detail as Buyer may reasonably request, as to the fulfillment of the conditions to the obligations of Buyer set forth in this Agreement that are required to be fulfilled by the Seller on or before the Closing.

Section 7.4 Regulatory and Other Approvals. Buyer shall have obtained, in accordance with the filings and requests set forth in Section 5.4, the approval of the Federal Reserve, the FDIC, NCUA, Florida Office of Financial Regulation Division of Financial Institutions and all other appropriate Governmental Authorities of the transactions contemplated by this Agreement and the Merger, all required regulatory waiting periods shall have expired, and there shall be pending on the Closing Date no motion for rehearing or appeal from such approval or any suit or action seeking to enjoin the Merger or to obtain substantial damages in respect of such transaction.

Section 7.5 Approval of Merger and Delivery of Agreement. This Agreement, and the Merger shall have been approved by the shareholders of the Seller in accordance with the Seller's charter, by-laws and the FBCA and FFIC, and the proper officers of Seller shall have executed and delivered to Buyer the Certificate of Merger, in the form prepared by Buyer, subject to Seller's review, and suitable for filing with the Florida Secretary of State, and shall have executed and delivered all such other certificates, statements or instruments as may be necessary or appropriate to effect such a filing. Further, the Holders of not more than 5% of the shares of Seller common stock shall have given written demand for appraisal rights in accordance with the FBCA and FFIC.

Section 7.6 No Litigation. No suit or other action shall have been instituted or threatened in writing seeking to enjoin the consummation of the Merger or to obtain other relief in connection with this Agreement or the transactions contemplated herein that Buyer believes, in good faith and with the written advice of outside counsel, makes it undesirable or inadvisable to consummate the Merger by reason of the probability that the proceeding would result in the issuance of an order enjoining the Merger or in a determination that Seller has failed to comply with applicable legal requirements of a material nature in connection with the Merger or actions preparatory thereto or would have a Seller Material Adverse Effect.

Section 7.7 No Material Adverse Changes. Between the date of this Agreement and the Closing, the Seller shall not have experienced a Material Adverse Effect.

Section 7.8 Voting Agreement. On or prior to 5 p.m. EST on the day that is ten (10) business days following the date hereof, Buyer shall have received a Voting Agreement, in the form attached hereto as Exhibit A, executed by the Seller board.

Section 7.9 Consents. Seller shall have obtained or caused to be obtained all written consents or approvals of the Merger as may be required or are determined by Buyer to be advisable under the contracts set forth on Schedule 3.14 of the Seller Disclosure Schedule, each of which shall be satisfactory to Buyer in form and substance.

Section 7.10 Other Documents. Buyer shall have received at the Closing such other customary documents, certificates, or instruments as they may have reasonably requested

evidencing compliance by Seller with the terms and conditions of this Agreement.

ARTICLE 8

CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER

Unless the conditions are waived by Seller, all obligations of Seller under this Agreement are subject to the fulfillment, on or before the Closing, of each of the following conditions:

Section 8.1 Performance. Each of the acts and undertakings and covenants of Buyer to be performed at or before the Closing pursuant to this Agreement shall have been duly performed in all material respects.

Section 8.2 Representations and Warranties. The representations and warranties of Buyer contained in Article 4 of this Agreement shall be true, correct and complete in all material respects on and as of the Closing Date (unless they speak to an earlier date) with the same effect as though made on and as of the Closing Date, except to the extent that inaccuracies in those representations and warranties do not have a Material Adverse Effect on Buyer.

Section 8.3 Closing Certificates. Seller shall have received a certificate of Buyer signed by a senior executive officer of Buyer, dated as of the Closing Date, certifying in such detail as Seller may reasonably request, as to the fulfillment of the conditions to the obligations of Seller as set forth in this Agreement that are required to be fulfilled by Buyer on or before the Closing.

Section 8.4 Regulatory and Other Approvals. Buyer shall have obtained in accordance with Section 5.4 the approval of all appropriate regulatory entities of the transactions contemplated by this Agreement and the Merger, all required regulatory waiting periods shall have expired, and there shall be pending on the Closing Date no motion for rehearing or appeal from such approval or any suit or action seeking to enjoin the Merger or to obtain substantial damages in respect of such transaction.

Section 8.5 Delivery of Certificates. The proper officers of Buyer shall have executed and delivered to Seller the Certificate of Merger, in the form prepared by Buyer, subject to Seller's review, and suitable for filing with the Florida Secretary of State, and shall have executed and delivered all such other certificates, statements or instruments as may be necessary or appropriate to effect such a filing.

Section 8.6 No Litigation. No suit or other action shall have been instituted or threatened in writing seeking to enjoin the consummation of the Merger or to obtain other relief in connection with this Agreement or the transactions contemplated herein that Seller believes, in good faith and with the written advice of outside counsel, makes it undesirable or inadvisable to consummate the Merger by reason of the probability that the proceeding would result in the issuance of an order enjoining the Merger or in a determination that Buyer has failed to comply with applicable legal requirements of a material nature in connection with the Merger or actions preparatory thereto.

Section 8.7 Other Documents. Seller shall have received at the Closing all such other customary documents, certificates, or instruments as they may have reasonably requested evidencing compliance by Buyer with the terms and conditions of this Agreement.

Section 8.8 Fairness Opinion. The board of directors for the Seller shall have received an opinion to the effect that, as of the date of such opinion, and based upon and subject to factors and assumptions set forth therein, the consideration to be received in the Merger is fair, from a financial point of view, to the Seller and its shareholders. The foregoing opinion shall be from such firm and in such form as reasonably required by the board.

Section 8.9 Tax Opinion. Within ten (10) business days following the date of this Agreement, the Seller shall have received a draft of a tax opinion from the accountants for the Seller as to the income tax consequences of the Merger to the shareholders of the Seller (and who will own shares of Bank common stock at the Effective Time) who own shares for investment purposes, and that any shares held for investment purposes would be considered a capital asset under the Code § 1221, and any such gain or loss would be considered a capital gain or loss, and there shall have been no change in such tax opinion as of the Effective Time.

ARTICLE 9

NON-SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 9.1 Non-Survival. None of the representations, warranties, covenants and agreements in this Agreement shall survive the Effective Time, except for those covenants or agreements contained herein which by their terms apply in whole or in part after the Effective Time, including, but not limited to Article 1, Article 2, Section 5.10, Section 5.12, Article 6, Article 9, and Article 10.

ARTICLE 10

GENERAL

Section 10.1 Expenses. Except as otherwise provided in Article 2 and this Section 10.1, all costs and expenses incurred in the consummation of this transaction, including any brokers' or finders' fees, shall be paid by the Party incurring such cost or expense. Notwithstanding the foregoing, in any action between the parties seeking enforcement of any of the terms and provisions of this Agreement or in connection with any of the property described herein, the prevailing party in such action shall be awarded, in addition to damages, injunctive or other relief, its reasonable costs and expenses, not limited to taxable costs, and reasonable attorneys' fees and expenses as determined by the court.

(a) In the event that this Agreement is terminated pursuant to Section 10.2(e) (Superior Acquisition Proposal), then Seller shall pay to Buyer a termination fee equal to $1,000,000. Notwithstanding anything contained in this Section 10.1(a), any such sum paid pursuant to this Section 10.1(a) shall constitute liquidated damages and the receipt thereof shall be Buyer's sole and exclusive remedy under this Agreement

(b) All costs and expenses reasonably estimated to have been incurred by

Seller shall either be paid or accrued for on or prior to the Closing Date.

Section 10.2 Termination. This Agreement shall terminate and be of no further force or effect as between the parties, except as to liability for a willful and material breach of any duty or obligation arising prior to the date of termination, upon the occurrence of any of the following conditions:

(a) By Seller or Buyer after the expiration of ten (10) business days after any Regulator shall have denied or refused to grant the approvals or consents required under this Agreement to be obtained pursuant to this Agreement, unless within said ten (10) business day period Buyer and Seller agree to submit or resubmit an application to, or appeal the decision of, the regulatory authority which denied or refused to grant approval thereof;

(b) By the non-breaching party after the expiration of twenty (20) business days from the date that a party hereto has given notice to the another party of such other party's material breach or misrepresentation of any obligation, warranty, representation, or covenant in this Agreement; *provided, however*, that no such termination shall take effect if within said twenty (20) business day period the party so notified shall have fully and completely corrected the grounds for termination as specified in such notice; *provided further, however*, that no such termination shall take effect if within thirty (30) business days of the failure by the notified party to make such correction within said twenty (20) day period, the notifying party delivers to the notified party a written election not to terminate this Agreement notwithstanding such breach or misrepresentation, and any such election to proceed shall not waive such party's right to seek damages or other equitable relief;

(c) By Seller or Buyer if the transaction provided for in this Agreement is not consummated by October 31, 2018, unless the date is extended by the mutual written agreement of the parties, provided a party that is then in breach of this Agreement shall not be entitled to exercise such right of termination;

(d) The mutual written consent of the parties to terminate; or

(e) By Seller if Seller shall contemporaneously enter into a definitive agreement with a third party providing a Superior Acquisition Proposal; *provided*, that the right to terminate this Agreement under this Section 10.2(e) shall not be available to Seller unless it delivers to Buyer (1) written notice of Seller's intention to terminate at least five (5) business days prior to termination and (2) the Fee referred to in Section 10.1(a) is paid.

(f) By Buyer if the Seller's Minimum Equity as of the Closing Date is less than $13,000,000. Provided, however, that if Buyer elects to exercise its termination right pursuant to this Section 10.2(f), it shall promptly give written notice to Seller. During the five-day period commencing with its receipt of such notice, Seller shall have the option to reduce the Purchase Price on a dollar for dollar basis by the amount by which the Seller's Minimum Equity as of the Closing Date is less than $13,000,000. If Seller so elects within such five-day period, it shall give prompt written notice to Buyer of such election and, whereupon, no termination shall have occurred pursuant to this Section 10.2(f) and this Agreement shall remain in effect in accordance with its terms (except as the Purchase Price and Merger Consideration are so

adjusted by this Section 10.2(f)).

For the purposes of Section 10.2(f), "Seller's Minimum Equity" is defined as Seller Tangible Book Value, which shall equal the total of Seller's total shareholders' equity, as that term is calculated in accordance with GAAP and in accordance with applicatory regulatory requirements (1) less goodwill and any other intangible assets; (2) excluding any unrealized gains or losses in Seller's investment securities portfolio due to mark-to-market adjustments; (3) adding back the expenses incurred by the Seller in connection with the transactions (including legal, accounting, and investment banking fees, fees and expenses for the termination and de-conversion of the Seller's data processing agreement, accrued bonuses and change in control and severance payments to be made by the Seller in connection with the Closing, and the insurance premiums contemplated by Section 5.10 (the "Transaction Expenses") and (4) less the proceeds received from the exercise of any Seller stock options after the date of this Agreement. Section 10.2(f) of the Seller Disclosure Schedule sets forth a reasonable good faith estimate of the Transaction Expenses.

Any termination of this Agreement shall not affect any rights accrued prior to such termination.

Section 10.3 Confidential Information. Buyer and Seller each covenant that (a) during the term of this Agreement and (b) in the event the transactions contemplated by this Agreement are not consummated, following the termination of this Agreement, each such Party will keep in strict confidence and return or destroy (in such Party's discretion) all documents containing any information concerning the properties, business, and assets of the other Parties that may have been obtained in the course of negotiations or examination of the affairs of each other Party either prior or subsequent to the execution of this Agreement (other than such information as shall be in the public domain or otherwise ascertainable from public or outside sources or was independently developed by such Party without reference to any confidential or proprietary information of the other party), except to the extent that disclosure is required by judicial process or governmental or regulatory authorities.

Section 10.4 Non-Assignment. Neither this Agreement nor any of the rights, interests or obligations of the Parties under this Agreement shall be assigned by any Party (whether by operation of law or otherwise) without the prior written consent of the other Party, provided, that Buyer may assign this Agreement and its obligations hereunder to a wholly-owned subsidiary or an affiliate of Buyer, without the prior written consent of any other Party, so long as Buyer continues to remain liable for the performance of all of its covenants and obligations set forth in this Agreement. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. This Agreement is not intended nor should it be construed to create any express or implied rights in any third parties, except for (i) the rights set forth in Section 5.10 which are intended to benefit each Indemnified Party and his or her heirs and representatives, (ii) the rights set forth in Section 5.12 and Article 6 of this Agreement, which are intended to benefit each Former Seller Employee, and (iii) if the Effective Time occurs, the right of the holders of Seller common stock to receive the Merger Consideration payable pursuant to this Agreement.

Section 10.5 Notices. All notices, requests, demands, and other communications

provided for in this Agreement shall be in writing and shall be deemed to have been given (a) when delivered in person, (b) the third business day after being deposited in the United States mail, registered or certified mail (return receipt requested), or (c) the first business day after being deposited with Federal Express or any other recognized national overnight courier service, in each case addressed as follows:

To Seller:	Brenda M. O'Neil Chairman and Chief Executive Officer 4379 Colonial Blvd., Suite 100 Fort Myers, Florida 33966 E-mail: boneil@pcbbank.net
With a copy to:	John P. Greeley Smith Mackinnon, PA 255 South Orange Avenue, Suite 1200 Orlando, Florida 32801 E-mail: jpg7300@aol.com
To Buyer:	Gary Regoli President and Chief Executive Officer 1659 Virginia Street Dunedin, Florida 34698 Email: garyr@achievacu.com
With copy to:	Michael M. Bell, Esq. Howard & Howard, PLLC 450 West Fourth Street Royal Oak, Michigan 48067-2557 Email: mb@h2law.com

Section 10.6 Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if the signatures to each counterpart were upon the same instrument. This Agreement may be executed and accepted by facsimile or other electronic signature and any such signature shall be of the same force and effect as an original signature.

Section 10.7 Knowledge. Whenever any statement in this Agreement or in any list, certificate or other document delivered to any party pursuant to this Agreement is made "to the knowledge" or "to the best knowledge" of the Seller, such knowledge shall mean facts and other information that Brenda M. O'Neil, Todd Rinehart, Brian Peters, BSA officer, Board Chair and the Chair of any Board Committee actually knows.

Section 10.8 Interpretation. The words "hereof," "herein" and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole. Article, Section, Exhibit and Schedule references are to the Articles, Sections, Exhibits and Schedules of this Agreement unless otherwise specified. The table of contents and headings contained in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes,"

"including" or similar expressions are used in this Agreement, they will be understood to be followed by the words "without limitation." The words describing the singular shall include the plural and vice versa, and words denoting any gender shall include all genders and words denoting natural persons shall include corporations, partnerships and other entities and vice versa. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event of an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the Parties and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

Section 10.9 Entire Agreement. This Agreement, including the Schedules and agreements delivered pursuant hereto, set forth the entire understanding of the Parties and supersede all prior agreements, arrangements, and communications, whether oral or written. This Agreement shall not be modified or amended other than by written agreement of the Parties hereto. Captions appearing in this Agreement are for convenience only and shall not be deemed to explain, limit, or amplify the provisions hereof.

Section 10.10 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Florida (without regard to any applicable conflicts of law), except that it shall also be governed by and construed in accordance with federal law to the extent federal law applies. The sole and exclusive venue for any action arising out of this Agreement shall be a Florida State Court situated in Pinellas County, Florida, or a U.S. Federal District Court with jurisdiction over Pinellas County, Florida.

Section 10.11 Severability. In the event that a court of competent jurisdiction shall finally determine that any provision of this Agreement or any portion thereof is unlawful or unenforceable, such provision or portion thereof shall be deemed to be severed from this Agreement, and every other provision and portion thereof that is not invalidated by such determination shall remain in full force and effect. To the extent that a provision is deemed unenforceable by virtue of its scope but may be made enforceable by limitation thereof, such provision shall be enforceable to the fullest extent permitted under the laws and public policies of the state whose laws are deemed to govern enforceability.

Section 10.12 Waiver. Except as provided in Section 10.1(a), rights and remedies of the Parties to this Agreement are cumulative and not alternative. Neither the failure nor any delay by any Party in exercising any right, power or privilege under this Agreement or the documents referred to in this Agreement will operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. To the maximum extent permitted by applicable law: (a) no claim or right arising out of this Agreement or the documents referred to in this Agreement can be discharged by one Party, in whole or in part, by a waiver or renunciation of the claim or right unless in writing signed by the other Parties; (b) no waiver that may be given by a Party will be applicable except in the specific instance for which it is given; and (c) no notice to or demand on one Party will be deemed to be a waiver of any obligation of such Party or of the right of the Party giving such notice or demand to take further action without notice or demand as provided in this Agreement or the documents referred to in this Agreement.

Section 10.13 Time of the Essence. Whenever performance is required to be made by a party under a specific provision of this Agreement, time shall be of the essence.

Section 10.14 Specific Performance. The parties hereto agree that irreparable damage would occur in the event any covenants in this Agreement were not performed in accordance with their specific terms or otherwise were materially breached. It is accordingly agreed that, without the necessity of proving actual damages or posting bond or other security, the parties shall be entitled to temporary and/or permanent injunction or injunctions to prevent breaches of such performance and to specific enforcement of the terms and provisions in addition to any other remedy to which they may be entitled, at law or in equity.

**** Signature Page Follows ****

IN WITNESS WHEREOF, the Parties have each executed this Agreement and Plan of Merger as of the day and year first written above.

ACHIEVA CREDIT UNION

By: _____
Name: GARY REGOLI
Title: PRESIDENT / CEO

PREFERRED COMMUNITY BANK

By: _____
Name: BRENDA M. O'NEIL
Title: CHAIRMAN & CEO