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DREW J. BREAKSPEAR
Commissioner

INTEROFFICE COMMUNICATION

DATE: October 30, 2013

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

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

SUBJECT: Formation of NT Interim Bank (Successor Institution) and Merger of New Traditions National Bank into NT Interim Bank (Surviving Entity will be known as "New Traditions Bank")

Please file the attached "Articles of Incorporation" for NT Interim Bank (an original and 2 copies) and "Articles of Merger" (an original and 2 copies) for the merger of NT Interim Bank and New Traditions National Bank, using 11:01 AM on November 1, 2013, as the effective time and date for the merger.

Please file the documents in the following order:

1. File the Articles of Incorporation for NT Interim Bank
2. File the Articles of Merger for the merger of NT Interim Bank and New Traditions National Bank

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

- (1) One copy to: Office of Financial Regulation
Division of Financial Institutions
200 East Gaines Street
Tallahassee, Florida 32399-0371
- (2) One copy to: John P. Greely, Esquire
Smith MacKinnon, PA
255 South Orange Avenue
Orlando, Florida 32801

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Also attached are two checks which represent payment of applicable fees: A check for \$52.50 represents fees for filing the articles for NT Interim Bank and certified copies; and a check for \$87.50 represents fees for filing the Articles of Merger and certified copies. If there is an over-payment of fees, please remit a refund to Smith MacKinnon, PA at the above address.

If there is an under-payment, or if you have any questions, please call John P. Greely, Esquire at (407) 843-7300.

Attachments

OFFICE OF FINANCIAL REGULATION



Having been approved by the Commissioner of the Office of Financial Regulation on October 11, 2013, to merge NT Interim Bank, Orlando, Orange County, Florida, and New Traditions National Bank, Orlando, Orange County, Florida, and being satisfied that the conditions of approval have been met, I approve for filing with the Florida Department of State, the attached "Articles of Merger," which contains the Articles of Incorporation of New Traditions Bank (the resulting bank), so that, effective 11:01 a.m. on November 1, 2013, they shall read as stated herein.

Signed on this 30th day
of October, 2013.


Robert D. Hayes, Director
Division of Financial Institutions

**ARTICLES OF MERGER
OF
NEW TRADITIONS NATIONAL BANK
INTO
NT INTERIM BANK - 013 - 89371**

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TALLAHASSEE, FLORIDA

New Traditions National Bank and NT Interim Bank do hereby adopt the following Articles of Merger:

FIRST: The names of the corporations which are parties to the merger (the "Merger") contemplated by these Articles of Merger are New Traditions National Bank and NT Interim Bank. The surviving corporation in the Merger is NT Interim Bank, which shall continue to conduct its business following effectiveness of the Merger under the name "New Traditions Bank."

SECOND: The Plan of Merger is set forth in the Plan of Merger and Merger Agreement dated November 5, 2013, and as amended, by and among New Traditions National Bank and Old Florida Bancshares, Inc. A copy of the Plan of Merger, as amended, 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., Orlando, Florida time, on November 1, 2013.

FOURTH: The Merger Agreement was adopted by the shareholders of New Traditions National Bank on October 28, 2013 and by the sole shareholder of NT Interim Bank on October 28, 2013.

FIFTH: The Restated Articles of Incorporation of NT Interim Bank which are attached to these Articles of Merger as Exhibit B shall serve as the Restated Articles of Incorporation of the surviving corporation, until amended thereafter in accordance with applicable law.

IN WITNESS WHEREOF, the parties have caused these Articles of Merger to be executed effective as of October 28, 2013.

NEW TRADITIONS NATIONAL BANK

By: 
David R. Dotherow
President and Chief Executive
Officer

NT INTERIM BANK

By: _____
John O. Burden, Sr.
President and Chief Executive Officer

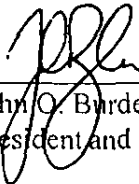
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IN WITNESS WHEREOF, the parties have caused these Articles of Merger to be executed effective as of October 28, 2013.

NEW TRADITIONS NATIONAL BANK

By: _____
David R. Dotherow
President and Chief Executive
Officer

NT INTERIM BANK

By:  _____
John O. Burden, Sr.
President and Chief Executive Officer

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EXHIBIT A

PLAN OF MERGER AND MERGER AGREEMENT

THIS PLAN OF MERGER AND MERGER AGREEMENT is dated this 5th day of November, 2012 (the "Agreement"), by and between New Traditions National Bank, a national banking association ("Bank"), and Old Florida Bancshares, Inc., a Florida corporation ("BHC").

RECITALS:

A. **Background.** BHC and Bank desire to enter into this Agreement, which provides for Bank to become a wholly-owned subsidiary of BHC pursuant to the merger of the Bank with a successor banking corporation to be organized by BHC as a wholly-owned subsidiary of BHC. Accordingly, BHC and Bank are entering into this Agreement to provide for such merger transaction.

B. **Bank.** Bank is a national banking association duly organized and existing in good standing under the laws of the United States, with its principal executive offices located in Orlando, Florida. As of the date hereof, Bank's authorized capital stock consisted of 5,000,000 shares of common stock, par value \$5.00 per share ("Bank Common Stock"), of which 3,511,393 shares of Bank Common Stock are outstanding.

C. **BHC.** BHC is a Florida corporation duly organized and existing in good standing under the laws of the State of Florida with its principal executive offices located in Orlando, Florida. As of the date hereof, BHC's authorized capital stock consisted of (i) 15,000,000 shares of common stock, par value \$0.01 per share ("BHC Common Stock"), of which 6,382,376 shares are outstanding, and (ii) 1,500,000 shares of preferred stock, par value \$0.01 per share, of which 500,000 shares have been designated as Series A Non-Cumulative Perpetual Preferred Stock ("Series A Preferred Stock"), of which 367,604 such shares are outstanding.

D. **Old Florida Bank.** BHC owns all of the outstanding shares of Old Florida National Bank ("Old Florida Bank"), which is a national banking association duly organized and existing in good standing under the laws of the United States, with its principal executive offices located in Orlando, Florida.

E. **Merger.** Pursuant to this Agreement, the parties have agreed that BHC will form a successor Florida banking corporation ("Merger Sub") and Bank will merge with and into Merger Sub as a result of which Bank will become a direct wholly-owned subsidiary of BHC. For purposes of this Agreement, the foregoing merger is referred as the "Merger."

F. **Intention of the Parties.** It is the intention of the parties to this Agreement that the Merger shall qualify as a reorganization under Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code").

G. **Approvals.** The Boards of Directors of each of BHC and Bank have determined that this Agreement and the transactions contemplated hereby are in the best interests of BHC and Bank, respectively, and of their respective stockholders. Accordingly, the Boards of Directors of each of BHC and Bank have approved this Agreement at meetings duly called and convened in accordance with their respective bylaws.

H. **Stockholders' Agreement.** As a condition to the signing of this Agreement, BHC has entered into a Stockholders' Agreement (the "Stockholders' Agreement") with the Bank and the directors of the Bank pursuant to which each such individual has agreed, among other things, to vote in favor of the approval of this Agreement all shares of Bank Common Stock beneficially owned by such individual in accordance with and subject to the terms set forth in the Stockholders' Agreement.

NOW, THEREFORE, in consideration of their mutual promises and obligations, the parties hereto, intending to be legally bound, adopt and make this Agreement and prescribe the terms and conditions hereof and the manner and basis of carrying the Agreement into effect, as follows:

1. THE MERGER

1.1 **The Merger.** In the event that all of the conditions set forth in Article VI hereof have been satisfied or waived:

(A) **The Merger.** On the Merger Effective Date (as hereinafter defined), the Bank shall merge with and into Merger Sub, and all of the outstanding shares of capital stock of the Bank shall be converted in the manner set forth in Article II of this Agreement. The name of the Bank following consummation of the Merger shall be "New Traditions Bank" or a variant thereof. The Bank is sometimes referred to in this Agreement as the "Continuing Bank" when the reference relates to the period following consummation of the Merger.

(B) **Rights, etc.** On the Merger Effective Date, the Continuing Bank shall thereupon and thereafter possess all the rights, privileges, immunities and franchises of a public as well as of a private nature, of Bank and Merger Sub, and all property, real, personal and mixed and all debts due on whatever account, and all other causes of action, all and every other interest of or belonging to or due to each of the corporations so merged shall be deemed to be vested in the Continuing Bank without further act or deed. The title to any real estate, or any interest therein, vested in any of such corporations, shall not revert or be in any way impaired by reason of the Merger, as provided by the laws of the State of Florida.

(C) **Liabilities.** On the Merger Effective Date, the Continuing Bank shall thereupon and thereafter be responsible and liable for all the liabilities, obligations and penalties of each of the corporations so merged. All rights of creditors of Bank, all liens on the property

of the Bank, and all obligations due to Bank shall be unaffected by the Merger and shall be preserved unimpaired.

(D) **Articles of Association; Bylaws; Directors; Officers; Offices.**

(i) The articles of incorporation and bylaws of the Continuing Bank following the Merger Effective Date shall be those of Merger Sub, as in effect immediately prior to the Merger Effective Date and until such documents are changed in accordance with applicable law.

(ii) The directors and executive officers of the Continuing Bank following the Merger Effective Date, who shall hold office until such time as their successors are elected and qualified, shall consist of those persons set forth on Exhibit 1.

(iii) The directors and executive officers of Old Florida Bank following the Merger Effective Date, who shall hold office until such time as their successors are elected and qualified, shall consist of those persons set forth on Exhibit 2.

(iv) The directors and executive officers of BHC following the Merger Effective Date, who shall hold office until such time as their successors are elected and qualified, shall consist of those persons is set forth on Exhibit 3.

(v) The banking offices of the Bank following the Merger Effective Date shall be those banking offices of the Bank immediately prior to the Merger Effective Date. The name and location of the main office and each existing and proposed branch office of the Bank is set forth on Exhibit 4.

1.2 **Merger Effective Date; Closing.** The Merger shall become effective at the date and time set forth in the articles of merger filed with the Florida Secretary of State and the certificate of merger issued by the Florida Office of Financial Regulation (the "OFR") with respect to the Merger (such time is hereinafter referred to as the "Merger Effective Date"). The parties shall utilize their best efforts to cause the Merger to be effective as soon as practicable after satisfaction of all conditions set forth in Article VI, including, without limitation, the receipt of the regulatory approvals referred to in Section 6.1(B). Notwithstanding the preceding sentence, unless otherwise agreed by the parties, the Merger Effective Date shall occur during the calendar month following the calendar month in which all required regulatory approvals have been obtained and any applicable statutory waiting period has expired. All documents required by the terms of this Agreement to be delivered at or prior to consummation of the Merger shall be exchanged by the parties at the closing of the Merger (the "Closing"), which shall be held on the Merger Effective Date at such location and time as may be mutually agreed upon.

1.3 **Trust Powers.** At the Merger Effective Date, the Bank will not exercise trust powers.

1.4 BHC and Bank Board Meetings and Bylaws. Until the second anniversary of the Merger Effective Date, meetings of the Board of Directors of BHC shall be held quarterly or more frequently as determined by the BHC Board of Directors. On the Merger Effective Date, the Bylaws of BHC shall provide that until the second anniversary of the Merger Effective Date, each of the following actions shall require the prior approval of at least 75% of the directors of BHC:

(A) Any merger involving Old Florida Bank, the Continuing Bank or any other banking subsidiary of BHC.

(B) Any change in the name of the Continuing Bank.

(C) The appointment of any person to fill a vacancy on the Board of Directors of the Continuing Bank.

(D) The appointment of any person to fill a vacancy on the Board of Directors of BHC or Old Florida Bank, if the director previously holding the position being vacated was a director of the Bank prior to the Merger Effective Date.

(E) The removal of any director of the Continuing Bank.

(F) The removal of any director of Old Florida Bank, if the director previously holding the position being vacated was a director of the Bank prior to the Merger Effective Date.

(G) Any increase in the size of the Board of Directors of the Continuing Bank by more than four directors.

(H) The appointment of a person, other than the person who served as President and Chief Executive Officer of the Bank as of the date of this Agreement, to serve as the President or Chief Executive Officer of the Continuing Bank.

Notwithstanding the foregoing, the Bylaws of BHC may be amended prior to the second anniversary of the Merger Effective Date to eliminate the foregoing approval requirements of the BHC directors upon the approval of at least 75% of the directors of BHC.

The foregoing approval requirements shall not apply to any action required to be taken by any court or regulatory agency having jurisdiction over BHC, Old Florida Bank or the Continuing Bank.

2. MERGER CONSIDERATION.

2.1 Merger Consideration. Subject to the provisions of this Agreement, automatically, as a result of the Merger, and without any action on the part of any party or shareholder:

(A) **Conversion of Outstanding BHC Common Stock.**

(1) **BHC Common Stock.** Subject to the provisions of this Agreement, as of the Merger Effective Date and by virtue of the Merger without any further action on the part of the holder of any shares of any BHC Common Stock, each share of BHC Common Stock issued and outstanding immediately prior to the Merger Effective Date shall remain issued and outstanding.

(B) **Conversion of Outstanding Bank Common Stock**

(1) **Exchange Ratio.** Subject to the terms and conditions of this Agreement, and except with regard to Dissenting Bank Shares (as hereinafter defined), each share of Bank Common Stock outstanding immediately prior to the Merger Effective Date shall be converted into the right to receive the number of shares of BHC Common Stock, as shall be equal to the quotient obtained by dividing (i) the Bank Book Value Per Share, by (ii) the BHC Book Value Per Share, rounded to the nearest hundredth of a share.

(2) **Definitions.** For purposes of this Agreement, the "Bank Book Value Per Share" shall be equal to (A) the Adjusted Shareholders' Equity of the Bank, divided by (B) the number of shares of Bank Common Stock outstanding at the Valuation Date (as hereinafter defined). For purposes of this Agreement, the "BHC Book Value Per Share" shall be equal to (A) the Adjusted Shareholders' Equity of BHC, divided by (B) the sum of number of shares of BHC Common Stock and Series A Preferred Stock outstanding at the Valuation Date. For purposes of this Agreement, the "Adjusted Shareholders' Equity of the Bank" shall mean (i) the shareholders' equity of the Bank at the Valuation Date, calculated in accordance with generally accepted accounting principles ("GAAP"), less (ii) the amount of all expenses of the Bank associated with or related to the transactions contemplated by this Agreement, including, without limitation, legal fees, accounting fees, investment banking or brokerage fees, consulting fees, change in control payments, salary continuation payments, and one-half of the premium for the payment of the insurance coverage contemplated by Section 5.12(B) of this Agreement (to the extent not reflected in the shareholders' equity of the Bank at the Valuation Date), and plus (iii) \$550,000, which represents the net excess of the fair market value of the Bank's Maitland banking office property over its carrying cost and after adjustment for any tax effect to the Bank. For purposes of this Agreement, the "Adjusted Shareholders' Equity of BHC" shall mean (i) the consolidated shareholders' equity of BHC at the Valuation Date calculated in accordance with GAAP, less (ii) the amount of all expenses of BHC associated with or related to the transactions contemplated by this Agreement, including, without limitation, legal fees, accounting fees, investment banking or brokerage fees, consulting fees, and one-half of the premium for the insurance coverage contemplated by Section 5.12(B) of this Agreement (to the extent not reflected in the consolidated shareholders' equity of BHC at the Valuation Date). For purposes of this Agreement, the "Valuation Date" shall mean the close of business on December 31, 2012. The applicable amount of BHC Common Stock issuable in the Merger for each share of Bank

Common Stock pursuant to this Section, as may be adjusted as provided herein, shall be hereinafter referred to as the "Exchange Ratio."

(3) **Computation of Book Value Per Share.** On or before January 15, 2013, (i) BHC shall compute and deliver to the Bank the BHC Book Value Per Share, and (ii) the Bank shall compute and deliver to BHC the Bank Book Value Per Share. Each Party shall deliver with such computation all accounting workpapers and other supporting documentation reasonably necessary to verify such computation. Subject to the last sentence of this Section, a Party's determination of its Book Value Per Share shall be binding upon the other Party, unless the other Party shall object to such computation within five (5) business days after receiving such computation. Any notice objecting to such computation shall set forth in reasonable detail the basis for such objection. If the Parties are unable to resolve such disputed Book Value Per Share within five (5) business days after receipt of written objection, then the dispute shall be submitted to and determined by an accounting firm selected by agreement of the Parties, which firm shall within ten (10) days of such submission render its computation of the disputed Book Value Per Share, and its computation shall be final and binding upon the Parties (with each of BHC and the Bank paying one-half of the expenses of such accounting firm incurred pursuant to this Section). Notwithstanding any other provisions of this Section, if the shareholders' equity as set forth in either BHC's or the Bank's audited financial statements as of and for the year ended December 31, 2012 is not the same amount that was used for purposes of determining such party's Adjusted Shareholders' Equity, then such party's Book Value Per Share, and the Exchange Ratio, shall be recalculated using such party's shareholders' equity amount as set forth in such audited financial statements.

(4) **Adjustment of Exchange Ratio.** The Exchange Ratio, including the number of shares of BHC Common Stock issuable in the Merger, shall be subject to an appropriate adjustment in the event of any stock split, reverse stock split, dividend payable in BHC Common Stock, reclassification or similar distribution whereby BHC issues BHC Common Stock or any securities convertible into or exchangeable for BHC Common Stock without receiving any consideration in exchange therefor, provided that the record date of such transaction is a date after the Valuation Date and prior to the Merger Effective Date. Any shares of Bank Common Stock owned by Bank shall be cancelled and retired upon the Merger Effective Date and no consideration shall be issued in exchange therefor.

2.2 **Shareholder Rights; Stock Transfers.** On the Merger Effective Date, holders of Bank Common Stock shall cease to be, and shall have no rights as stockholders of Bank other than to receive the merger consideration provided under Section 2.1 above or the amount set forth in Section 2.6 below (to the extent applicable). After the Merger Effective Date, there shall be no transfers on the stock transfer books of Bank of the shares of Bank Common Stock which were issued and outstanding immediately prior to the Merger Effective Date.

2.3 **Fractional Shares.** Notwithstanding any other provision hereof, no fractional shares of BHC Common Stock, and no certificates or scrip therefor, or other evidence of

ownership thereof, will be issued in the Merger. Instead, such fractional share interest shall be rounded up to the next highest whole share of BHC Common Stock.

2.4 Exchange Procedures. As promptly as practicable after the Merger Effective Date, BHC shall send or cause to be sent to each former stockholder of record of Bank immediately prior to the Merger Effective Date transmittal materials for use in exchanging such stockholder's certificates formerly representing Bank Common Stock ("Old Certificates") for the consideration set forth in Section 2.1(A) above. The certificates representing the shares of BHC Common Stock ("New Certificates") issuable in exchange for the Old Certificates, will be delivered to such stockholder only upon delivery of Old Certificates representing all of such shares (or, if any of the Old Certificates are lost, stolen or destroyed, indemnity satisfactory to BHC). Until so surrendered and exchanged, each Old Certificate which, prior to the Merger Effective Date represented shares of Bank Common Stock shall for all purposes evidence ownership of the BHC Common Stock into and for which such shares have been so converted, except that no dividends or other distributions with respect to such BHC Common Stock shall be made until the certificates previously representing shares of Bank Common Stock shall have been properly tendered, at which time, such shareholders shall receive the shares of BHC Common Stock. Notwithstanding the foregoing, BHC shall not be liable to any former holder of Bank Common Stock for any amount properly delivered to a public official pursuant to applicable abandoned property, escheat or similar laws.

2.5 Options. Any valid option to purchase shares of Bank Common Stock (a "Bank Option"), outstanding and unexercised immediately prior to the Merger shall, by virtue of the Merger, automatically and without any action on the part of the holder thereof, become and be converted into an option to purchase that number of shares of BHC Common Stock as shall equal the product obtained by multiplying the Exchange Ratio by that number of shares of Bank Common Stock which such option entitled the holder thereof to purchase (rounded to the nearest whole share), and at an exercise price equal to the quotient obtained by dividing the exercise price per share of the Bank Option by the Exchange Ratio (rounded to the nearest cent).

2.6 Dissenters' Rights. Each outstanding Bank Common Stock, the holder of which has perfected dissenters' rights in accordance with the provisions of the National Bank Act (the "Dissent Provisions") and has not effectively withdrawn or lost such holder's right to such appraisal (the "Dissenting Bank Shares"), shall not be converted into or represent a right to receive the Exchange Shares issuable in the Merger but the holder thereof shall be entitled only to such rights as are granted by the Dissent Provisions. The Bank shall give BHC prompt notice upon receipt by Bank of any written objection to the Merger and any written demands for payment of the fair value of the Bank Common Stock, and of withdrawals of such demands, and any other instruments provided to Bank pursuant to the Dissent Provisions (any shareholder duly making such demand being hereinafter called a "Dissenting Shareholder"). Each Dissenting Shareholder who becomes entitled, pursuant to the Dissent Provisions, to payment of fair value of any Bank Common Stock held by such Dissenting Shareholder shall receive payment therefor

from Bank (but only after the amount thereof shall have been agreed upon or at the times and in the amounts required by the Dissent Provisions) and all of such Dissenting Shareholder's Bank Common Stock shall be cancelled. If any Dissenting Shareholder shall have failed to perfect or shall have effectively withdrawn or lost such right to demand payment of fair value, the Bank Common Stock held by such Dissenting Shareholder shall thereupon be deemed to have been converted into the right to receive the consideration to be issued in the Merger as provided in this Agreement. Any such consideration so issued shall be issued by the BHC without interest upon surrender by such holder of the certificate or certificates representing the shares held by the holder.

2.7 Cancellation of Certain Shares. Any shares of Bank Common Stock owned by Bank shall be cancelled and retired upon the Merger Effective Date, and no consideration shall be issued in exchange therefor.

3. ACTIONS PENDING MERGER.

3.1 Conduct of Business Prior to the Merger Effective Date. Except as expressly contemplated or permitted by this Agreement, or as required by applicable Law, during the period from the date of this Agreement to the Merger Effective Date, each of BHC and the Bank shall, and BHC shall cause Old Florida Bank to (i) conduct its business in the usual, regular and ordinary course consistent with past practice, (ii) use reasonable best efforts to maintain and preserve intact its business organization and advantageous customer and business relationships and retain the services of its key officers and employees and (iii) take no action which would reasonably be expected to adversely affect or delay its ability to consummate the transactions contemplated hereby.

3.2 Forbearances of BHC and the Bank. From the date hereof until the Merger Effective Date, except as otherwise contemplated by this Agreement or as set forth on Schedule 3.2, without the prior written consent of the other party (which consent, except for the items covered by subsections (A) and (B) below, may not be unreasonably withheld or delayed), each of BHC and the Bank shall not, and BHC shall cause Old Florida Bank not to, do any of the following:

(A) **Capital Stock.** Issue, sell, transfer, dispose of, permit to become outstanding, authorize the creation of, pledge or encumber any shares of capital stock, voting securities or other equity interest, or any options, warrants, convertible securities or other rights of any kind to acquire or receive any shares of capital stock, voting securities or other equity interests (including stock appreciation rights, phantom stock or similar instruments), except (i) for BHC Common Stock that may be issued in exchange for Series A Preferred Stock outstanding on the date of this Agreement (on the basis of one share of BHC Common Stock for one share of Series A Preferred Stock) (ii) for the issuance of shares of BHC Common Stock pursuant to options to purchase shares of BHC Common Stock ("BHC Options") set forth on Schedule 4.1 (B) (ii) (1) or Bank Common Stock upon the exercise, in accordance with the terms

of those Bank Options set forth on Schedule 4.1 (B) (ii) (2), and outstanding on the date hereof, (iii) for the issuance of shares of BHC Common Stock pursuant to no more than 65,000 options to purchase shares of BHC Common Stock for an exercise price no less than the greater of the fair market value or book value per share of BHC Common Stock (determined in accordance with GAAP) on the date of grant, with a vesting schedule of at least five years and to be issued to employees who are not executive officers, and (iv) for the issuance of shares of Bank Common Stock pursuant to no more than 25,000 options to purchase shares of Bank Common Stock, for an exercise price no less than the greater of the fair market value or book value per share of Bank Common Stock (determined in accordance with GAAP) on the date of grant, with a vesting schedule of at least five years, and to be issued to employees who are not executive officers.

(B) **Dividends, Etc.** Make, declare, pay or set aside for payment any dividend payable in cash, stock or property on or in respect of, or declare or make any distribution on, any shares of its capital stock, or directly or indirectly adjust, split, combine, reclassify, redeem, purchase or otherwise acquire any shares of its capital stock.

(C) **Compensation; Employment Agreements, Etc.** Enter into, adopt, establish or otherwise modify any employment, consulting, severance, change of control, retention or similar agreements or arrangements, benefit, program or policy, with any current or former director, officer, employee or independent contractor, or grant any salary or wage increase or increase any other compensation or employee benefit (including incentive or bonus payments), except: (i) for normal individual increases in base salary or wage rates to current employees, directors and officers in the ordinary and usual course of business consistent with past practice, provided that no such increase shall result in an annual adjustment of more than 6.0% of the aggregate base salary and wages payable in 2012; (ii) for other changes that are required by applicable Law or any Contract set forth on Schedule 3.2(C), or (iii) employment agreements, employee benefit plans and bonus arrangements or practices described in Section 5.17 or Section 5.18.

(D) **Hiring and Promotion.** Hire any person as an employee or promote any employee, except (provided that the other party is given five (5) Business Days advance written notice thereof) persons whose employment is terminable at the will, and whose base salary or wage rate, including any guaranteed bonus or any similar bonus, does not exceed \$150,000 per annum.

(E) **Benefit Plans.** Enter into, terminate, establish, adopt or amend (except as may be required by applicable Law) any Benefit Plans, take any action to grant or approve the grant of, accelerate the vesting, accrual or exercisability of stock options (except as set forth on a Schedule to this Agreement or as expressly provided by this Agreement), restricted stock or other compensation or benefits payable thereunder or increase the participant pool of any Benefit Plans (except that it may renew or replace its health insurance policies and programs in effect as of the date of this Agreement upon terms and conditions acceptable to the other party). Without limiting the generality of the foregoing, each of BHC and the Bank shall not, and BHC shall

cause Old Florida Bank not to, take any action which has the effect of increasing its obligations or liabilities pursuant to any stock option plans or any other Benefit Plans.

(F) **Dispositions.** Sell, transfer, lease, license, guarantee, mortgage, pledge, encumber or otherwise create any lien on, dispose of or discontinue any of its assets, deposits, business or properties (other than sales of investment securities, loans and loan participations conducted in the ordinary and usual course of business consistent with past practice or, in the case of investment securities, as contemplated by Section 5.19) except (i) in the ordinary and usual course of business consistent with past practice and in a transaction that, together with all other such transactions, is not material to it, (ii) dispositions of assets by its special assets division or group, (iii) grants of liens in connection with borrowings obtained in the ordinary and usual course of business consistent with past practice, or (iv) dispositions of assets by it to one or more wholly-owned subsidiaries owned or to be owned by it.

(G) **Acquisitions.** Except for the acquisition contemplated by that certain Purchase and Assumption Agreement dated August 17, 2012 by and among Old Florida National Bank, Orange Bank of Florida, and Floridian Financial Group, Inc. (the "Branch Purchase Agreement"), acquire (other than by way of foreclosures or acquisitions of control of property other than real estate in a bona fide fiduciary capacity or in satisfaction of indebtedness previously contracted in good faith, in each case in the ordinary and usual course of business consistent with past practice) all or any portion of the assets, deposits, business or properties of any other person except in the ordinary and usual course of business consistent with past practice and in a transaction that, together with all other such transactions, is not material to it, as the case may be.

(H) **Capital Expenditures.** Make any capital expenditures other than (i) capital expenditures provided for in the capital budget furnished by it to the other party prior to the date of this Agreement, and (ii) other capital expenditures in the ordinary and usual course of business consistent with past practice in amounts not exceeding \$250,000 in the aggregate.

(I) **Governing Documents.** Amend or otherwise change its articles of incorporation, articles of association, or bylaws, except as expressly provided by this Agreement.

(J) **Accounting Methods.** Implement or adopt any change in its book or tax accounting principles, practices or methods, other than as may be required by GAAP or regulatory accounting principles, and as concurred in by its independent public accountants.

(K) **Claims.** Enter into any settlement, compromise or similar agreement with respect to, or take any other significant action with respect to the conduct of, any litigation, claim, action, suit, hearing, investigation or other proceeding to which it is or becomes a party, which settlement, compromise, agreement or action involves payment by it, of an amount that exceeds \$250,000 individually or \$500,000 in the aggregate and/or would impose any material restriction on the business of Bank, Old Florida National Bank, BHC, Merger Sub or the

Continuing Bank or any of its Affiliates or create precedent for claims that are reasonably likely to be material to it or any of such entity or their respective Affiliates.

(L) **Adverse Actions.** Take any action or omit to take any action that would result in (i) any of its representations and warranties set forth in this Agreement being or becoming untrue in any material respect at any time at or prior to the Merger Effective Date, (ii) any of the conditions to the Merger set forth in Article VI not being satisfied on a timely basis or (iii) a material violation of any provision of this Agreement, except as may be required by applicable Law.

(M) **Risk Management.** Except as required by applicable Law, (i) implement or adopt any material change in its interest rate and other risk management policies, procedures or practices, (ii) fail to follow any of its existing policies or practices with respect to managing its exposure to interest rate and other risks or (iii) fail to use commercially reasonable efforts to avoid any material increase in its aggregate exposure to interest rate risk.

(N) **Indebtedness.** Incur or modify any indebtedness for borrowed money or other liability (other than deposits and federal funds borrowings) or borrowings from the Federal Home Loan Bank, or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other person (other than in connection with payments, processing and similar matters in the ordinary course of business consistent with past practices).

(O) **Loans.** Make any loan or loan commitment or renewal or extension thereof, except in accordance with its own loan policy as previously delivered to the other party, or purchase or sell any loan or loan participation (other than purchases or sales of loans and loan participations made in the ordinary and usual course of business consistent with past practice).

(P) **Investments.** Make any investment either by contributions to capital, property transfers, purchases of any property or assets of any person, or other investments, except in accordance with its asset and liability policy as previously delivered to the other party.

(Q) **Taxes.** Commence, compromise or settle any litigation or proceeding with respect to any material liability for Taxes, make or change any material Tax election, file any amended Tax Return, enter into any closing agreement, surrender any right to claim a material refund of Taxes, consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment relating to it, take any action which is reasonably likely to have an material adverse effect on any Tax position of it or, after the Merger, the Continuing Bank or any of its Affiliates, change any of its methods of reporting income or deductions for Tax purposes or take any other action with respect to Taxes that is outside the ordinary and usual course of business or inconsistent with past practice.

(R) **Operations.** Introduce any material new products or services; begin any material marketing campaigns; enter into any material new line of business; change its lending,

underwriting, credit-grading or other material banking or operating policies in any material respects; or make or file any applications with any Regulatory Authority for the opening, relocation or closing of any, or open, relocate or close any, branch, servicing center or other office or facility.

(S) **Contracts.** Except with respect to Contracts relating to loans or loan participations made in the ordinary and usual course of business consistent with past practice (or the disposition permitted by subsection (F) above), enter into, renew or allow to renew automatically, modify, amend or terminate, make any payment not then required under or waive, release or assign any material right or claims under, any Contract that calls for aggregate annual payments of \$100,000 or more and which is not terminable at will or with sixty (60) days or less notice without payment of any amount other than for products delivered or services performed through the date of termination.

(T) **Commitments.** Agree or commit to do any of the foregoing.

3.3 **Creation of Merger Subsidiary.** As soon as practical after the execution of this Agreement, BHC shall incorporate and organize Merger Sub as a wholly owned subsidiary of BHC. At such time, BHC shall cause Merger Sub to become a party to this Agreement by executing a joinder agreement or other evidence satisfactory to Bank. Each obligation to be performed by BHC to effectuate the Merger as described in this Agreement shall include the obligation of Merger Sub to perform any acts required of it as a party to the Merger under any federal or state law, rule or regulation.

4. REPRESENTATIONS AND WARRANTIES.

4.1 The Bank hereby represents and warrants to BHC and BHC hereby represents and warrants to the Bank, as follows:

(A) **Recitals.** The facts set forth in the Recitals of this Agreement with respect to it are true and correct. For purposes of this Agreement, any reference in Article IV to BHC shall mean, unless otherwise indicated, BHC on a consolidated basis, including its ownership of Old Florida Bank and each of their subsidiaries, including the Merger Sub.

(B) **Organization and Capital Shares.**

(1) It, and each of its subsidiaries, is a corporation or association duly organized, validly existing, and in good standing under the laws of the State of Florida, or the national banking laws, as the case may be. BHC owns all of the shares of capital stock of Old Florida Bank, which is duly organized, validly existing and in good standing under the laws of the United States or Florida, and shall own all of the shares of capital stock of Merger Sub, which shall be duly organized, validly existing and in good standing under the laws of the United States or Florida prior to the Closing.

(2) The outstanding shares of it are duly authorized, validly issued and outstanding, fully paid and non-assessable, and subject to no preemptive rights. Except for the Bank Options which are set forth on Schedule 4.1(B)(ii)(2) and the options to purchase shares of BHC Common Stock ("BHC Options") which are set forth on Schedule 4.1(B)(ii)(1), there are no outstanding options, warrants, securities, subscriptions, rights or other contractual agreements or arrangements that give any person the right to purchase or otherwise receive or be issued any capital stock of it or its subsidiary or any security of any kind convertible into or exercisable or exchangeable for any shares of capital stock of it or its subsidiary or to receive any benefits or rights similar to any rights enjoyed by or accruing to a holder of shares of capital stock (including any rights to participate in the equity, income or election of directors of it or its subsidiary ("Option" or, collectively, "Options")).

(C) **Qualification.** It is duly qualified to do business and is in good standing in the State of Florida and in any other states of the United States and foreign jurisdictions where its ownership, use or leasing of property or the conduct or nature of its business requires it to be so qualified, licensed or admitted and in which the failure to be so qualified, licensed or admitted and in good standing could reasonably be expected to have a Material Adverse Effect (as such term is defined in Section 8.8(F)). It has the corporate power and authority to carry on its business as it is now being conducted and to own all its material properties and assets. It has in effect all federal, state and local authorizations, licenses and approvals necessary for it to own or lease its properties and assets and to carry on its business as it is now conducted.

(D) **Subsidiaries.** It has no direct or indirect subsidiaries except, (i) in the case of BHC, its ownership of (a) Merger Sub, which shall be at the Closing a successor institution and a wholly owned subsidiary of BHC, (b) Old Florida Bank, which is a national banking association, all of the outstanding shares of which are owned by BHC, and (c) Liberty Bancorp Denning, LLC, which is a Florida limited liability company, 51% of the outstanding interests of which are owned by BHC, and (d) OFBSA, Inc., a Florida corporation, all of the outstanding shares of which are owned by BHC, (ii) in the case of Old Florida Bank, its ownership of Mercantile Capital Corporation, Inc., a Florida corporation, all of the outstanding shares of which are owned by Old Florida Bank, and (iii) in the case of Bank, its ownership of NTNB I, LLC, NTNB II, LLC and NTNB III, LLC, each of which is a Florida limited liability company, all of the outstanding membership interests in which are owned by Bank.

(E) **Authority.** Subject to receipt of any necessary approval by its stockholders and the regulatory approvals referred to in Section 6.1(B), it has the corporate power and authority to execute, deliver and perform its obligations under this Agreement, this Agreement has been authorized by all necessary corporate action by it, and is a valid and binding agreement of it enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, receivership, conservatorship and other laws of general applicability relating to or affecting creditors rights and to general equity principles.

(F) **No Conflict.** The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby by it will not constitute (i) a breach or violation of, or a default under, any law, rule or regulation (collectively "Laws") or any judgment, decree or order (collectively "Orders"), governmental permit or license (collectively "Licenses"), or contract, agreement, indenture or instrument (collectively "Contracts") of it or any of its subsidiaries or to which it or any of its subsidiaries or any of their properties is subject or by which any of them are bound, which breach, violation or default is reasonably likely to have, either by itself or in the aggregate with one or more other events, occurrences or circumstances, a Material Adverse Effect on it; (ii) a breach or violation of, or a default under, its articles of incorporation, articles of association, charter or bylaws (or other comparable corporate charter documents); (iii) result in or give any person any right of termination, cancellation, acceleration or modification in or with respect to any Orders, Licenses or Contracts, (iv) result in or give to any person any additional rights or entitlement to increased, accelerated or guaranteed payments under any Orders, Licenses or Contracts, or (v) result in the creation or imposition of any lien or encumbrance on the assets or properties of it or any of its subsidiaries; and the consummation of the transactions contemplated by this Agreement will not require any consent or approval under any Laws, Orders, Licenses or Contracts or, except as set forth in Schedule 4.1(F), the consent or approval of any other party to any Orders, Licenses or Contracts other than the required approvals of applicable Regulatory Authorities referred to in Section 6.1(B).

(G) **Financial Statements.** Prior to the execution of this Agreement, each party has delivered to the other true and complete copies of the following financial statements:

(1) as to Bank, its audited balance sheets as of December 31, 2011 and 2010 and the related audited statements of operations, stockholders' equity and cash flows for the fiscal years then ended and, as to BHC, its audited consolidated balance sheets as of December 31, 2011 and 2010 and the related audited consolidated statements of operations, stockholders' equity and cash flows for the fiscal years then ended (collectively, with the Bank audited financial statements, the "Audited Financial Statements"), together with a true and correct copy of the report on such Audited Financial Statements by the parties' respective independent accountants, and all letters from such accountants with respect to the results of such audits; and

(2) the unaudited balance sheet of it as of September 30, 2012 and the related unaudited statements of operations and stockholders' equity for the period then ended, (the "Unaudited Financial Statements") (the Audited Financial Statements and the Unaudited Financial Statements are sometimes hereinafter collectively referred to as the "Financial Statements"). All such Financial Statements were prepared in accordance with generally accepted accounting principles ("GAAP") consistently applied and fairly present its financial condition and results of operations as of the respective dates thereof and for the respective periods covered thereby, except that the Parties agree that the Unaudited Financial Statements may omit the footnote disclosures otherwise necessary for their presentation in accordance with GAAP.

(H) **No Undisclosed Liabilities.** Except as referred to or reserved against in its Financial Statements, there are no liabilities against, relating to or affecting it or any of its assets and properties, other than liabilities incurred in the ordinary course of business consistent with past practice which in the aggregate would not have a Material Adverse Effect.

(I) **Litigation; Regulatory Action.** Except as set forth in Schedule 4.1(I) or in its Financial Statements, no litigation, proceeding, or controversy before any court or governmental agency is pending which, either by itself or in the aggregate with one or more other events, occurrences or circumstances, is reasonably likely to have a Material Adverse Effect on it and, to the best of its knowledge, no such litigation, proceedings or controversy has been threatened; and except as set forth in Schedule 4.1(I), it is not a party to, or subject to any order, decree, agreement, memorandum of understanding or similar arrangement with, or a commitment letter or similar submission to, or has adopted any board resolution at the request of, any federal, state or other government, governmental agency or authority charged with the supervision or regulation of financial institutions or their holding companies or the issuance of securities or engaged in the insurance of deposits (including, without limitation, the Florida Office of Financial Regulation, the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System and the Federal Deposit Insurance Corporation) or the supervision or regulation of it or its properties (collectively, the "Regulatory Authorities"); and it has not been advised by any Regulatory Authority that such authority is contemplating issuing or requesting (or is considering the appropriateness of issuing or requesting) any such order, decree, agreement, memorandum of understanding, commitment letter or similar submission or any such resolutions.

(J) **Compliance with Laws.** It is in material compliance, in the conduct of its business, 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, including, without limitation, the Equal Credit Opportunity Act, the Fair Housing Act, the Community Reinvestment Act, the Home Mortgage Disclosure Act and all other applicable fair lending laws relating to discriminatory business practices, the Currency and Foreign Transaction Reporting Act, as amended ("Bank Secrecy Act"), Title III of the USA Patriot Act and all other applicable secrecy laws; and it has all material permits, licenses, authorizations, orders and approvals of, and has made all material filings, applications and registrations with, all Regulatory Authorities that are required in order to permit it to conduct its business substantially as presently conducted; all such permits, licenses, certificates of authority, orders and approvals are in full force and effect and, to the best of its knowledge, no suspension or cancellation of any of them is threatened; and it has not received notification or communication from any Regulatory Authority (i) asserting that it is not in material compliance with any of the statutes, regulations, or ordinances which such Regulatory Authority enforces or (ii) threatening to revoke any such license, franchise, permit, or governmental authorization or (iii) threatening or contemplating revocation or limitation of, or which would have the effect of revoking or limiting, federal deposit insurance (nor, to its knowledge, do any grounds for any of the foregoing exist).

(K) **Defaults.** It is not in default under any material contract, agreement, commitment, arrangement, lease, insurance policy or other instrument to which it is a party, by which its assets, business, or operations may be bound or affected, or under which it or its assets, business, or operations receives benefits, and there has not occurred any event that, with the lapse of time or the giving of notice or both, would constitute such a default. It is not subject to, or bound by, any Contract containing covenants which (i) limit its ability to compete in any material line of business or with any person, or (ii) involve any material restriction of geographical area in which, or method by which, it may carry on its business (other than as may be required by law or any applicable Regulatory Authority).

(L) **No Brokers.** Except for the engagement by Bank of Keefe, Bruyette & Woods, Inc. as described in Schedule 4.1(L) by Bank, and by BHC of Carson Medlin/Monroe Securities, Inc., as described in Schedule 4.1(L) by BHC, all negotiations relative to this Agreement and the transactions contemplated hereby have been carried on by it and its agents directly with the other parties hereto and their agents and no action has been taken by it that would give rise to any valid claim against any party hereto for a brokerage commission, finder's fee or other like payment.

(M) **No Regulatory Impediment.** It knows of no reason why the regulatory approvals referred to in Section 6.1(B) should not be obtained.

(N) **Reorganization.** It is aware of no reason why the Merger will fail to qualify as a reorganization under Section 368(a) of the Code.

(O) **Absence of Changes.** Except for the execution and delivery of this Agreement and the transactions to take place pursuant hereto on the Merger Effective Date, since September 30, 2012 there has not been any change, development or event which, individually or together with other such changes, developments or events, could reasonably be expected to have a Material Adverse Effect on its business, financial condition or results of operations. Without limiting the foregoing, except as disclosed in Schedule 4.1(O) or in the Unaudited Financial Statements, there has not occurred between September 30, 2012 and the date hereof:

(1) any declaration, setting aside or payment of any dividend or other distribution in respect of its capital stock, or any direct or indirect redemption, purchase or other acquisition by it of any such capital stock of or grant of any Option with respect to it;

(2) any authorization, issuance, sale or other disposition by it of any shares of its capital stock or any Option or any modification or amendment of any right of any holder of any outstanding shares of its capital stock of or Option (except for the issuance of shares upon the exercise of Options and except for the issuance of shares of BHC Common Stock in exchange for the conversion of its shares of Series A Non-Cumulative Perpetual Preferred Stock and Series B Non-Cumulative Perpetual Preferred Stock);

(3) (x) any increase in the salary, wages or other compensation of any officer, employee or consultant of it whose annual salary is, or after giving effect to such change would be, \$150,000 or more (except for such increases and bonuses as are approved by its Board of Directors and disclosed to the other); (y) any establishment or modification of (A) targets, goals, pools or similar provisions in respect of any fiscal year under any benefit plan, employment contract or other employee compensation arrangement for an officer, employee or consultant whose salary is in excess of \$150,000 or (B) salary ranges, increase guidelines or similar provisions in respect of any benefit plan, employment contract or other employee compensation arrangement; or (z) any adoption, establishment, amendment, modification or termination (partial or complete) of any benefit plan except to the extent required by applicable Laws and, in the event compliance with legal requirements presented options, only to the extent the option which it reasonably believed to be the least costly was chosen;

(4) any borrowing by it except in the ordinary course of business;

(5) with respect to any property securing any loan or other credit arrangement made by it, and, to its knowledge, any physical damage, destruction or other casualty loss (whether or not covered by insurance) in an aggregate amount exceeding \$250,000;

(6) except in the ordinary course of business, any material change in (w) any pricing, investment, accounting, financial reporting, credit, allowance or tax practice or policy, (x) any method of calculating any bad debt, contingency or other reserve for accounting, financial reporting or tax purposes, (y) its fiscal year of it or (z) any credit policy or standard, including, without limitation, criteria relating to placement of a debtor on any credit watch or other similar list maintained by it;

(7) except for the sale of foreclosed properties, or properties received in lieu of foreclosure in the ordinary course of business consistent with past practice, any acquisition or disposition of, or incurrence of a material lien or other material encumbrance on, any of its assets and properties;

(8) any (x) amendment of its articles of incorporation or bylaws (or other comparable corporate charter documents), (y) reorganization, liquidation or dissolution of it (z) merger, consolidation or business combination involving it and any other person (except as to BHC, the Branch Purchase Agreement);

(9) any capital expenditures or commitments for additions to property, plant or equipment of it constituting capital assets in an aggregate amount exceeding \$100,000, except as set forth on Schedule 4.1(O);

(10) any commencement or termination by it of any line of business;

(11) any transaction by it with any officer, director, affiliate or associate of it or any affiliate or associate of any such officer, director or affiliate (A) outside the ordinary course of business consistent with past practice or (B) other than on an arm's-length basis, other than pursuant to any Contract in effect on September 30, 2012 and disclosed in Schedule 4.1(O);

(12) any agreement to do or engage in any of the foregoing;

(13) any other transaction involving, or development affecting it, outside the ordinary course of business consistent with past practice, except as disclosed in Schedule 4.1(O).

(P) **Material Contracts.** Except as set forth in Schedule 4.1(P) or in its Financial Statements, and except for this Agreement, it is not bound by any material Contract, agreement or other arrangement to be performed after the date hereof. For purposes of this Section 4.1(P), "material" shall mean any Contract that calls for aggregate annual payments of \$150,000 or more and which is not terminable at will or within 90 days or less notice without payment of any amount other than for products delivered or services performed through the date of termination.

(Q) **Real Property.** Except as set forth in Schedule 4.1(Q), it does not own any real property. Schedule 4.1(Q) also contains a true and correct list of each parcel of real property leased by it (as lessor or lessee).

(1) It has a valid and subsisting leasehold estate in and the right to quiet enjoyment of the real properties leased by it as lessee for the full term of the lease thereof. Each lease referred to in this paragraph (1) is a legal, valid and binding agreement, enforceable in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, receivership, conservatorship, moratorium, or similar laws affecting the enforcement of creditors' rights generally and except that the availability of the equitable remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceeding may be brought), and there is no, and it has received no notice of any, default, or any condition or event which, after notice or lapse of time or both, would constitute a default thereunder. It does not owe any brokerage commissions with respect to any such leased space.

(2) Except as disclosed in Schedule 4.1(Q), the improvements on the real property identified therein are in good operating condition and in a state of good maintenance and repair, ordinary wear and tear excepted, are adequate and suitable for the purposes for which they are presently being used and, to its knowledge, there are no condemnation or appropriation proceedings pending or threatened against any of such real property or the improvements thereon.

(R) **Tangible Personal Property.** It is in possession of and has good title to, or has valid leasehold interests in or valid rights under contract to use, all material tangible

personal property used in the conduct of its business, including all tangible personal property reflected on its Financial Statements and tangible personal property acquired subsequent to September 30, 2012, other than property disposed of since such date in the ordinary course of business consistent with past practice. Except with respect to equipment leased from third parties, all such tangible personal property is free and clear of all liens, other than liens disclosed in Schedule 4.1(R), and is in good working order and condition, ordinary wear and tear excepted, and its use complies in all material respects with all applicable laws.

(S) **Intellectual Property Rights.** Schedule 4.1(S) lists all Intellectual Property (as such term is hereinafter defined) owned by it or used in its business and operations as currently conducted. Except as set forth in Schedule 4.1(S), it has such ownership and use (free and clear of all liens) of, or rights by license, lease or other agreement to use (free and clear of all liens), such Intellectual Property as is necessary to permit it to conduct its business and operations as currently conducted, except where the failure to have any such right would not have a Material Adverse Effect on its business, financial condition or results of operations. Except as disclosed in Schedule 4.1(S), (i) all trademarks, service marks and copyrights in respect of such Intellectual Property are in full force and effect and are not subject to the payment of any taxes or maintenance fees or the taking of any other actions to maintain their validity or effectiveness, (ii) there are no restrictions on the direct or indirect transfer of any license, or any interest therein in respect of such Intellectual Property, (iii) it has taken reasonable measures to protect such Intellectual Property and the value of such Intellectual Property, (iv) it has not received any notice that it is in default (or with the giving of notice or lapse of time or both, would be in default) under any license to use such Intellectual Property and (v) it has no knowledge that such Intellectual Property is being infringed by any other person. It has not received notice that it is infringing any Intellectual Property of any other person, no claim is pending or, to its knowledge, has been made to such effect that has not been resolved and, to its knowledge, it is not infringing any Intellectual Property rights of any other person. For purposes of this Agreement “Intellectual Property” means all patents and patent rights, trademarks and trademark rights, trade names and trade name rights, service marks and service mark rights, service names and service name rights, brand names, inventions, processes, formulae, copyrights and copyright rights, trade dress, business and product names, logos, slogans, trade secrets, industrial models, processes, designs, methodologies, computer programs (including all source codes) and related documentation, software license and sub-license agreements, end-user license agreements for software, software maintenance agreements, technical information, manufacturing, engineering and technical drawings, know-how and all pending applications for and registrations of patents, trademarks, service marks and copyrights.

(T) **Employee Benefit Agreements.**

(1) Schedule 4.1(T) contains a true and complete list of each “employee benefit plan” within the meaning of section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), covering its employees or former employees (the

“Employees”), including, without limitation, all stock purchase, stock option, severance, employment, change-in-control, fringe benefit, vacation, perquisite, collective bargaining, bonus, incentive, deferred compensation, employee loan, and all other employee benefit plans, agreements, programs, policies or other arrangements, whether or not subject to ERISA (including any funding mechanism therefor now in effect or required in the future as a result of the transactions contemplated by this Agreement or otherwise), whether formal or informal, oral or written, legally binding or not, under which (i) any current or former Employees have any present or future right to benefits and which are contributed to, sponsored by or maintained by it or (ii) it has had or has any present or future liability. All such plans, agreements, programs, policies and arrangements are collectively referred to as the “Benefit Plans.”

(2) With respect to each Benefit Plan, it has provided the other party with a current, accurate and complete copy (or, to the extent no such copy exists, an accurate description) thereof and, to the extent applicable: (i) any related adoption agreement, trust agreement or other funding instrument; (ii) the most recent determination letter, if applicable; (iii) any summary plan description and other written communications (or a description of any oral communications) by it to its Employees concerning the extent of the benefits provided under a Benefit Plan; (iv) a summary of any proposed amendments or changes anticipated to be made to the Benefit Plans at any time within the twelve months immediately following the date hereof, (v) for the three most recent years and as applicable, (A) the Form 5500 and attached schedules, (B) audited financial statements and (C) actuarial valuation reports; and (vi) all filings made by it with any governmental authority including but not limited to any filings under the Voluntary Compliance Resolution or Closing Agreement Program or the Department of Labor Delinquent Filer Program.

(3) (i) Each Benefit Plan has been established, operated and administered in all material respects in accordance with its terms and in material compliance with the applicable provisions of ERISA, the Code and other applicable laws, rules and regulations; (ii) each Benefit Plan which is intended to be qualified within the meaning of Sections 401(a) or 4975(e)(7) of the Code is so qualified and has received a favorable determination or opinion letter as to its qualification, and each trust established in connection with any Benefit Plan which is intended to be exempt from federal taxation under Section 501(a) of the Code is so exempt, and nothing has occurred, whether by action or failure to act, that could reasonably be expected to cause the loss of such qualification or exempt status; (iii) no event has occurred and no condition exists that would reasonably be expected to subject it, either directly or by reason of its affiliation with any member of its “Controlled Group” (defined as any organization which is a member of a controlled group of organizations within the meaning of Sections 414(b), (c), (m) or (o) of the Code), to any material tax, fine, lien, penalty or other liability imposed by ERISA, the Code or other applicable Laws, rules and regulations; (iv) for each Benefit Plan with respect to which a Form 5500 has been filed, no material change has occurred with respect to the matters covered by the most recent Form since the date thereof; (v) no “reportable event” (as such term is defined in Section 4043 of ERISA) that could reasonably be expected to result in material liability, no

nonexempt “prohibited transaction” (as such term is defined in Section 406 of ERISA and Section 4975 of the Code) or “accumulated funding deficiency” (as such term is defined in Section 302 of ERISA and Section 412 of the Code (whether or not waived)) has occurred with respect to any Benefit Plan; (vi) all prior employer (including pre-tax employee) contributions and payments or benefits provided pursuant to such Benefit Plans and all other compensatory payments made to any current or former director, officer, employee or consultant of it have been deductible under the Code, including under Sections 162 and 404, as applicable; (vii) there is no present intention that any Benefit Plan be materially amended, suspended or terminated, or otherwise modified to change benefits (or the levels thereof) under any Benefit Plan at any time within the twelve months immediately following the date hereof; (viii) it has not incurred any current or projected material liability in respect of post-employment or post-retirement health, medical or life insurance benefits for its current, former or retired employees or any of its subsidiaries, except as required to avoid an excise tax under Section 4980B of the Code or otherwise except as may be required pursuant to any other applicable Law, and it does not have any material liability under Part 6 of Subtitle B of Title I of ERISA with respect to unsatisfied continuation coverage obligations under a healthcare plan maintained or formerly maintained by any member of their “Controlled Group”; and (x) neither it nor to its knowledge, any other Person has any express or implied commitment, whether legally enforceable or not, to modify, change or terminate any Benefit Plan, other than with respect to a modification, change or termination required by ERISA, the Code or other applicable Law.

(4) No Benefit Plan is: (i) a “multiemployer plan” (as defined in Section 4001(a)(3) of ERISA) and neither it nor any member of its Controlled Group has at any time sponsored or contributed to, or has or had any liability or obligation in respect of, any multiemployer plan; (ii) a pension plan (within the meaning of Section 3(2) of ERISA) subject to Section 412 of the Code or Title IV of ERISA; (iii) a multiple employer plan for which it could incur liability under Sections 4063 or 4064 of ERISA; or (vi) a voluntary employee benefit association under 501(c)(9) of the Code.

(5) With respect to any Benefit Plan, (i) no actions, suits or claims (other than routine claims for benefits in the ordinary course) are pending or, to its knowledge, threatened; (ii) no facts or circumstances exist that could give rise to any such actions, suits or claims; (iii) no written or oral communication has been received from the Pension Benefit Guaranty Corporation (the “PBGC”) in respect of any Benefit Plan subject to Title IV of ERISA concerning the funded status of any such plan or any transfer of assets and liabilities from any such plan in connection with the transactions contemplated herein; (iv) no administrative investigation, audit or other administrative proceeding by the Department of Labor, the PBGC, the Internal Revenue Service or other governmental agencies are pending, threatened or in progress (including, without limitation, any routine requests for information from the PBGC); and (v) all tax, annual reporting and other governmental filings required by ERISA, the Code or other applicable Law with respect to the Benefit Plans have been timely filed with the

appropriate Regulatory Authority and all notices and disclosures have been timely provided to participants.

(6) There has been no amendment to, announcement by it relating to, or change in Employee participation or coverage under, any Benefit Plan which would increase the expense of maintaining such plan above the level of the expense incurred therefor for the most recent fiscal year, except for reasonable annual renewals in the ordinary course of business and consistent with past practice.

(7) Except as set forth on Schedule 4.1(T), neither the execution of this Agreement, shareholder approval of the Merger nor the consummation of the transactions (either alone or in combination with any subsequent event) contemplated hereby will (i) entitle any of its Employees to severance pay or any increase in severance pay upon any termination of employment after the date hereof, (ii) accelerate the time of payment or vesting or result in any payment or funding (through a grantor trust or otherwise) of compensation or benefits under, increase the amount payable or result in any other obligation pursuant to, any of the Benefit Plans, (iii) limit or restrict the right of it or, after the consummation of the transactions contemplated hereby, BHC or the Continuing Bank to merge, amend or terminate any of the Benefit Plans or result in any liability on account of such merger, amendment or termination (other than liability for ordinary administrative expenses typically incurred under such Benefit Plan), (iv) cause it or, after the consummation of the transactions contemplated hereby, BHC or the Continuing Bank to record additional compensation expense on its income statement with respect to any outstanding stock option or other equity-based award (except as a result of the exercise of any stock option or subsequent sale of shares following the exercise of such options) or (v) result in payments under any of the Benefit Plans or otherwise which would not be deductible under section 280G of the Code.

(U) **Labor Matters.** It is not a party to, or bound by any collective bargaining agreement, contract or other agreement or understanding with a labor union or labor organization, nor is it the subject of a proceeding asserting that it has committed an unfair labor practice (within the meaning of the National Labor Relations Act) or seeking to compel it to bargain with any labor organization as to wages and conditions of employment, nor is there any strike or other labor dispute involving it, pending or, to the best of its knowledge, threatened, nor is it aware of any activity involving its employees seeking to certify a collective bargaining unit or engaging in any other organization activity.

(V) **Insurance.** Schedule 4.1(V) contains a true and complete list (including the names and addresses of the insurers, the expiration dates thereof, the annual premiums and payment thereof and a brief description of the interests insured thereby) of all liability, property, workers' compensation, directors' and officers' liability and other insurance policies currently in effect that insure the business, operations or employees of it or affect or relate to the ownership, use or operation of any of its assets and properties and that (i) have been issued to it or (ii) have been issued to any person for their benefit. Except as disclosed in Schedule 4.1(V), the

insurance coverage provided by the policies described in clause (i) above will not terminate or lapse by reason of the transactions contemplated by this Agreement. Each policy listed in Schedule 4.1(V) is valid and binding and in full force and effect, no premiums due thereunder have not been paid and neither it nor the person to whom such policy has been issued has received any notice of cancellation or termination in respect of any such policy or is in default thereunder. The insurance policies listed in Schedule 4.1(V), in light of its business, operations and assets and properties, are in amounts and have coverages that are reasonable and customary for persons engaged in such businesses and operations and having such assets and properties. It has not received notice that any insurer under any insurance policy (x) is denying liability with respect to a claim thereunder or defending under a reservation of rights clause or (y) has filed for protection under applicable bankruptcy or insolvency laws or is otherwise in the process of liquidating or has been liquidated. Schedule 4.1(V) sets forth a complete and accurate list of all claims in excess of \$25,000 made under the policies and binders described in clause (i) above since December 31, 2011. It does not have or maintain any self-insurance arrangement.

(W) **Affiliate Transactions.** Except as otherwise set forth in Schedule 4.1(W), (a) neither it nor any subsidiary has engaged in any transactions with affiliates (as the term “affiliate” is defined in Regulation W) within the meaning of Sections 23A and 23B of the Federal Reserve Act, and (b) there are no contracts or other transactions between it or any subsidiary, on the one hand, and any directors, officers, shareholder or Affiliate or family member of the foregoing, on the other hand, except for loans and deposit transactions and for amounts due as normal salaries and bonuses and in reimbursement of ordinary expenses in the ordinary course of business consistent with past practice. Except as disclosed in Schedule 4.1(W), since September 30, 2012, all settlements of intercompany liabilities between it and any of its Affiliates, and all such settlements between it and its officers, directors, affiliates and associates, have been made, and all allocations of intercompany expenses have been applied, in the ordinary course of business consistent with past practice.

(X) **Asset Classification.** Set forth on Schedule 4.1(X) is a list, accurate and complete in all material respects, of all loans, extensions of credit or other assets that are classified as of September 30, 2012 by it (the “Asset Classification”); and no amounts of loans, extensions of credit or other assets that are classified by it as of September 30, 2012 by any regulatory examiner as “Substandard”, “Doubtful,” “Loss,” or words or grading system of similar import are excluded from the amounts disclosed in the Asset Classification, other than amounts of loans, extensions of credit or other assets that were charged off by it prior to September 30, 2012. The allowances for loan losses disclosed in its Financial Statements were, and the allowances for loan losses for periods ending after the date of this Agreement will be, adequate as of the date thereof, under generally accepted accounting principles consistently applied to banks and bank holding companies and under all other regulatory requirements, for all losses reasonably anticipated in the ordinary course of business as of the date thereof based on information available as of such date, and the assets comprising other real estate owned and in-substance foreclosures included in any of their non-performing assets are carried net of reserves

at the lower of cost or market value based on current independent appraisals or current management appraisals.

(Y) **Takeover Laws; Dissenters' Rights.** It has taken all necessary action to exempt the transactions contemplated by this Agreement from, or the transactions contemplated by this Agreement are otherwise exempt from, the requirements of any "moratorium," "control share," "fair price," "affiliate transaction," "control transaction," "business combination" or other anti-takeover laws and regulations (collectively, the "Takeover Laws") of the State of Florida, including, without limitation, Sections 607.0901 and 607.0902, Florida Statutes, but excluding the Dissent Provisions.

(Z) **Environmental Matters.** Except as set forth in Schedule 4.1(Z), to the best of its knowledge:

(1) neither it, nor any properties owned or operated by it, has been or is in violation of or liable under any Environmental Law (as such term is defined in subsection (iii) below), except for such violations or liabilities that, either by themselves or in the aggregate with one or more other events, occurrences or circumstances, would not have a Material Adverse Effect on its assets, business, financial condition or results of operations taken as a whole. There are no (and there is no reasonable basis for any) actions, suits or proceedings, or demands, claims, notices or investigations including, without limitation, notices, demand letters or requests for information from any environmental agency or other person, instituted, pending or threatened relating to the liability of any property owned or operated by it under any Environmental Law.

(2) it has not received any notice, citation, summons or order, complaint or penalty assessment by any governmental or other entity or person with respect to a property in which it holds a security interest or other lien for (i) any alleged violation of Environmental Law, (ii) any failure to have any environmental permit, certificate, license, approval, registration, and (iii) any use, possession, generation, treatment, storage, recycling, transportation or disposal of any Hazardous Material (as such term is defined in subsection (3), below).

(3) The following definitions apply for purposes of this Agreement: "Environmental Law" means (i) any federal, state or local law, statute, ordinance, rule, regulation, code, license, permit, authorization, approval, consent, legal doctrine, order, judgment, decree, injunction, requirement or agreement with any governmental entity, relating to (a) the protection, preservation or restoration of the environment, (including, without limitation, air, water vapor, surface water, groundwater, drinking water supply, surface land, subsurface land, plant and animal life or any other natural resource), or to human health or safety, or (b) the exposure to, or the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, production, release or disposal of Hazardous Material, in each case as amended and as in effect on or prior to the date of this Agreement and includes, without limitation, the Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Superfund Amendments and Reauthorization Act, the Federal Water Pollution

Control Act of 1972, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation and Recovery Act of 1976 (including the Hazardous and Solid Waste Amendments thereto), the Federal Solid Waste Disposal and the Federal Toxic Substances Control Act, and the Federal Insecticide, Fungicide and Rodenticide Act, the Federal Occupational Safety and Health Act of 1970, each as amended and as now in effect, and (ii) any common law or equitable doctrine (including, without limitation, injunctive relief and tort doctrines such as negligence, nuisance, trespass and strict liability) that may impose liability or obligations for injuries or damages due to, or threatened as a result of, the presence of or exposure to any Hazardous Material; "Hazardous Material" means any substance presently listed, defined, designated or classified as hazardous, toxic, radioactive or dangerous, or otherwise regulated, under any Environmental Law, whether by type or quantity, and includes, without limitation, any oil or other petroleum product, toxic waste, pollutant, contaminant, hazardous substance, toxic substance, hazardous waste, special waste or petroleum or any derivative or by-product thereof, radon, radioactive material, asbestos, asbestos containing material, urea formaldehyde foam insulation, lead and polychlorinated biphenyl.

(AA) **Tax Matters.** Except as set forth in Schedule 4.1(AA), (i) all reports and returns with respect to Taxes (as defined below) that are required to be filed by or with respect to it (collectively, the "Tax Returns"), have been duly filed, or requests for extensions have been timely filed and have not expired except to the extent any such filing is not yet due or all such failures to file, taken together, are not reasonably likely to have either by themselves or in the aggregate with one or more other events, occurrences or circumstances, a Material Adverse Effect on it, and such Tax Returns were true, complete, accurate and correct in all material respects, (ii) all taxes (which shall mean federal, state, local or foreign income, gross receipts, windfall profits, severance, property, production, sales, use, occupancy, license, excise, franchise, employment, withholding or similar taxes imposed on the income, properties, operations or activities of it, together with any interest, additions, or penalties with respect thereto and any interest in respect of such additions or penalties, collectively the "Taxes") shown to be due on the Tax Returns have been paid in full on or before the due date or are being contested in good faith and adequately reserved for on its consolidated balance sheet, (iii) the Tax Returns have never been examined by the Internal Revenue Service, (iv) no notice of deficiency, pending audit or assessment with respect to the Tax Returns has been received from the appropriate state, local or foreign taxing authority, or the period for assessment of the Taxes in respect of which such Tax Returns were required to be filed has expired, (v) all Taxes due with respect to completed and settled examinations have been paid in full, (vi) no issues have been raised by the relevant taxing authority in connection with the examination of any of the Tax Returns which are reasonably likely to result in a determination that would have, either by themselves or in the aggregate with one or more other events, occurrences or circumstances, a Material Adverse Effect on it, except as reserved against in its Financial Statements, and (vii) no waivers of statutes of limitations have been given by or requested with respect to any Taxes of it.

(BB) **Articles and Bylaws.** It has previously delivered to the other party, its articles of incorporation or articles of association and bylaws which are true, correct and complete copies of such documents as in effect on the date of this Agreement.

(CC) **Regulatory Applications and Proxy Statement Disclosures.** None of the information supplied or to be supplied by it for inclusion in the Proxy Statement, as the same may be supplemented or amended, and in any documents to be filed with any Regulatory Authority in connection with the transactions contemplated hereby will be false or misleading with respect to any material fact, or omit to state any material fact necessary in order to make the statements therein in light of the circumstances under which they were made not misleading.

(DD) **Disclosure.** No representation or warranty contained in this Agreement, and no statement contained in the Schedules hereto or in any certificate, list or other writing furnished pursuant to any provision of this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements herein or therein, in the light of the circumstances under which they were made, not misleading.

5. COVENANTS.

Bank hereby covenants to BHC and BHC hereby covenants to Bank, that:

5.1 **Commercially Reasonable Efforts.** Subject to the terms and conditions of this Agreement, it shall use its commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or desirable, or advisable under applicable laws, as promptly as practicable so as to permit consummation of the Merger at the earliest possible date and to otherwise enable consummation of the transactions contemplated hereby and shall cooperate fully with the other party hereto, and each party shall use its commercially reasonable efforts to cause to be satisfied the conditions referred to in Article VI, to lift or rescind any injunction, restraining order or other order adversely affecting the ability of the parties to consummate the transactions contemplated by this Agreement, to obtain all consents (governmental or other) necessary or desirable for the consummation of the transactions contemplated by this Agreement and to defend any litigation seeking to enjoin, prevent or delay the consummation of the transactions contemplated by this Agreement.

5.2 **Press Releases.** Except as otherwise required by Law, it shall consult with the other party before issuing any press release with respect to the Merger or this Agreement and shall not issue any such press release or make any such public statements without the prior consent of such other party, which consent shall not be unreasonably withheld or delayed. It shall cooperate with the other party to develop all public announcement materials and make appropriate management available at presentations related to the transactions contemplated by this Agreement as reasonably requested by the other party.

5.3 Access; Information.

(A) Upon reasonable notice, it will afford the other party hereto, and its officers, employees, counsel, accountants and other authorized representatives, access, during normal business hours throughout the period prior to the Merger Effective Date to all of its properties, books, contracts, commitments and records and, during such period, it shall furnish promptly to the other party hereto, (i) a copy of each material report, schedule and other document filed by it pursuant to the requirements of federal or state banking or other laws, and (ii) all other information concerning its business, properties and personnel as the other party may reasonably request. Notwithstanding the foregoing, no party shall be required to provide access to or to disclose information where such access or disclosure would violate or prejudice the rights of its customers, jeopardize the attorney-client or similar privilege with respect to such information or contravene any law, rule, regulation, order, judgment, decree, fiduciary duty or agreement entered into prior to the date hereof. The parties will use their reasonable best efforts to make appropriate substitute disclosure arrangements, to the extent practicable, in circumstances in which the restrictions of the preceding sentence apply.

(B) No investigation pursuant to this Section 5.3 by any party shall affect or be deemed to modify or waive any representation or warranty made by the other party or the conditions to the obligation of the first party to consummate the transactions contemplated by this Agreement; and neither party shall use any information obtained pursuant to this Section 5.3 for any purpose unrelated to this Agreement, and the consummation of the transactions contemplated hereby and, if the Merger is not consummated, each party will hold all information and documents obtained pursuant to this paragraph in confidence (as provided in Section 8.6) unless and until such time as such information or documents become publicly available other than by reason of any action or failure to act by such party or as it is advised by counsel that any such information or document is required by law to be disclosed, and in the event of the termination of this Agreement, each party will, upon request by the other party, deliver to the other all documents so obtained by it or destroy such documents.

5.4 Acquisition Proposals. It shall not solicit or encourage inquiries or proposals with respect to, or, except as required by the fiduciary duties of its Board of Directors (as advised in writing by its counsel), furnish any nonpublic information relating to or participate in any negotiations or discussions concerning, any tender offer or exchange offer for, or any proposal for the acquisition or purchase of all or a substantial portion of its assets, or a substantial equity interest in it, or any merger or other business combination other than as contemplated by this Agreement, and it shall instruct its officers, directors, agents, advisors and affiliates to refrain from doing any of the foregoing; provided that, notwithstanding the foregoing, it may communicate information about any such proposal to its stockholders if and to the extent that it is legally required to do so (as advised in writing by its counsel); it shall notify the other party immediately if any such inquiries or proposals are received by it or if any person seeks to initiate such negotiations or discussions. Notwithstanding the foregoing, BHC shall not be precluded

from participating in negotiations or discussions, and entering into agreements, concerning a possible acquisition by BHC of another financial institution, or the acquisition by BHC of one or more branches from one or more financial institutions, provided that the closing of any such transactions shall not occur prior to the earlier of the Merger Effective Date or the termination of this Agreement.

5.5 Subsequent Interim and Financial Statements. As soon as reasonably practicable and as soon as they are available, but in no event more than 15 days after the end of each calendar month ending after the date of this Agreement, the Bank shall furnish to BHC and BHC shall furnish to Bank (i) financial statements (including balance sheet, income statement and statement of changes in shareholders' equity) of it as of and for such month then ended and (ii) copies of any internal management reports prepared by it relating to the foregoing. All information furnished by any party to the other pursuant to this Section 5.5 shall be held in confidence by receiving party to the extent required by, and in accordance with, the provisions of Section 8.6 of this Agreement.

5.6 Takeover Laws. It shall not take any action that would cause the transactions contemplated by this Agreement to be subject to any applicable state takeover statute in effect as of the date of this Agreement and shall take all necessary steps to exempt (or ensure the continued exemption of) the transactions contemplated by this Agreement from, or if necessary challenge the validity or applicability of, any applicable state takeover law, as now or hereafter in effect, including, without limitation, the provisions of Section 607.0902, Florida Statutes.

5.7 No Rights Triggered.

(A) It shall take commercially reasonable efforts to ensure that the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby (including without limitation the Merger) do not and will not (i) result in the grant of any rights or claims under its articles of incorporation or bylaws or under any agreement to which it is a party, or (ii) restrict or impair in any way the ability of the other party to exercise the rights granted hereunder.

(B) It shall not adopt any plan or arrangement that would adversely affect in any way the rights of the other party under this Agreement.

5.8 Regulatory Applications.

(A) BHC shall use commercially reasonable efforts to prepare and deliver for filing, all documentation to effect all necessary notices, reports and other filings and to obtain all permits, consents, approvals and authorizations necessary or advisable to be obtained from any third parties and/or Regulatory Authorities in order to consummate the Merger and the other transactions contemplated hereby; and any initial filings forwarded to the Regulatory Authorities shall be made by BHC within sixty (60) days after the execution hereof, and the Bank shall

cooperate in such preparation and filing. Subject to applicable laws relating to the exchange of information, each of BHC and the Bank shall have the right to review in advance, and to the extent practicable each shall consult with the other on, all material written information submitted to any third party and/or any Regulatory Authority in connection with the Merger and the other transactions contemplated by this Agreement. In exercising the foregoing right, each of such parties agrees to act reasonably and as promptly as practicable. Each party hereto agrees that it shall consult with the other parties hereto with respect to the obtaining of all material permits, consents, approvals and authorizations of all third parties and/or Regulatory Authorities necessary or advisable to consummate the transactions contemplated by this Agreement and each party shall keep the other parties apprised of the status of material matters relating to completion of the transactions contemplated hereby (including promptly furnishing the other with copies of applications filed with, and notices or other communications received by BHC or the Bank, as the case may be, from any third party and/or Regulatory Authority with respect to the Merger and the other transactions contemplated by this Agreement).

(B) Each party agrees, upon request, to furnish to the other party with all information concerning itself, its subsidiaries, 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 such other party to any third party and/or Regulatory Authority.

5.9 Monthly Information. It shall promptly after the end of each calendar month after the date of this Agreement and before the Merger Effective Date provide the other party with a list of all of its loans, extensions of credit or other assets that have been classified internally or by any regulatory examiner since the date it provided the other party with the Asset Classification.

5.10 Notification of Certain Matters. It shall give prompt notice to the other party of any fact, event or circumstance known to it that (i) is reasonably likely, individually or taken together with all other facts, events and circumstances known to it, to result in any Material Adverse Effect with respect to it, or (ii) would cause or constitute a material breach of any of its representations, warranties, covenants or agreements contained herein.

5.11 Securities Act Matters. The parties intend that the BHC Common Stock issuable in the Merger will qualify for exemption from the registration requirements of the Securities Act of 1933 (the "Securities Act") and applicable state securities laws, pursuant to the exemption therefrom contained in Section 3(a)(10) of the Securities Act and other exemptions contained in such state securities laws, respectively. To cause the exemption from registration contained in Section 3(a)(10) of the Securities Act to be applicable to the issuance of the BHC Common Stock in the Merger, the parties further agree to submit appropriate requests to the OFR, in connection with the regulatory applications filed by the parties for approval of the Merger, pursuant to Chapter 655 of the Florida Statutes and the Administrative Rules of the OFR, for a public hearing upon the fairness of the terms and conditions of the issuance of the

BHC Common Stock for shares of Bank Common Stock. Each Bank shareholder shall have the right to appear at such hearing or hearings. Upon the scheduling of such public hearing, Bank agrees promptly to provide each of its shareholders with notice of such public hearing in accordance with the Florida Statutes and the Administrative Rules of the OFR, and otherwise in accordance with any other conditions of requirements imposed by the OFR with respect to such public hearings. The parties acknowledge that BHC will issue the shares of BHC Common Stock in the Merger in reliance on the exemption from registration set forth in Section 3(a)(10) of the Securities Act and, accordingly, the hearing contemplated by this Section 5.11 is a condition precedent to the Merger.

5.12 Indemnification; Director's and Officers' Insurance.

(A) Subject to the limitations on indemnification contained in the Florida Business Corporation Act, for a period of six years after the Merger Effective Date BHC and the Continuing Bank shall indemnify and hold harmless, to the fullest extent permitted by applicable Law, each present and former director and officer of the Continuing Bank (collectively, the "Indemnified Parties") against any costs or expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages, liabilities and amounts paid in settlement in connection with any claim, action, suit, proceeding or investigation arising out of or pertaining to: (i) the fact that the Indemnified Party is or was an officer, director, employee or agent of the Bank or any subsidiary of the Bank, a fiduciary under any Bank Employee Plan or is or was serving at the request of the Bank as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, employee benefit plan, trust or other enterprise, or (ii) this Agreement and the transactions and actions contemplated hereby. The rights of each Indemnified Person under this Section 5.12 shall be in addition to any rights such Indemnified Person may have under the organizational documents of the Continuing Bank, or under any Florida law or any other applicable law or under any agreement of such Indemnified Person with the Bank. BHC and the Continuing Bank will cooperate in the defense of any such matter; provided, however, that neither BHC nor the Continuing Bank shall be liable for any settlement effected without its written consent (which consent shall not be unreasonably withheld); and provided, further, that neither BHC nor the Continuing Bank shall be obliged pursuant to this Section 5.12 to pay the fees and disbursements of more than one counsel for all Indemnified Parties in any single action. The Articles of Incorporation and Bylaws of the Continuing Bank shall not be amended, repealed or otherwise modified after the Closing Date in any manner that would adversely affect the rights thereunder of any such individuals, except as a result of any merger of the Continuing Bank with Old Florida Bank.

(B) For a period of not less than four years after the Merger Effective Date, BHC shall maintain or obtain officers' and directors' liability insurance or a "tail" policy covering the Indemnified Parties who are currently covered by the Bank's officers and directors liability insurance policy on terms not less favorable than those in effect on the date hereof in terms of coverage and amounts, and containing substantially similar terms and conditions as

existing policies; provided, however, that BHC may substitute therefor policies with at least the same coverage and amounts and containing terms and conditions that are no less advantageous to the covered persons than the Bank's existing policies. This Section 5.12 shall survive the consummation of the Merger.

(C) If BHC or any of its successors or assigns shall (i) consolidate with or merge into any other person and shall not be the continuing or surviving person of such consolidation or merger or (ii) transfer all or substantially all of its properties and assets to any other person, then, and in each case, proper provision shall be made so that the successors and assigns of BHC shall assume the obligations set forth in this Section 5.12.

(D) Notwithstanding any provisions to the contrary, the indemnification obligations of this Section 5.12 are limited by federal banking law and those obligations that violate federal banking law will be invalid and unenforceable.

5.13 Stockholder Approval.

(A) As soon as practicable following the receipt of approval of the Merger from the Florida Office of Financial Regulation, the Bank, acting through its Board of Directors, shall take all action necessary to duly call and give notice of, a meeting of its stockholders (including any adjournment or postponement, the "Shareholders' Meeting"), to be held within thirty (30) calendar days after the Proxy Statement (as defined in Section 5.14 (a)) is first sent or mailed to its stockholders, for the purpose of adopting this Agreement and considering and voting upon any other matters required to be approved by the Bank's stockholders for consummation of the Merger. The Bank shall solicit from its stockholders proxies in favor of the adoption and approval of this Agreement and the Merger and shall take all other action necessary or advisable to secure the vote or consent of its stockholders to adopt and approve this Agreement and the Merger.

(B) The Board of Directors of the Bank shall recommend adoption of this Agreement by the stockholders of the Bank and shall not (x) withdraw, modify or qualify in any manner adverse to BHC such recommendation or (y) take any other action or make any other public statement in connection with the Bank Meeting inconsistent with such recommendation.

(C) Notwithstanding anything in this Agreement to the contrary, in response to an Acquisition Proposal which was not solicited by the Bank or otherwise in violation of Section 5.4, if the Bank's Board of Directors concludes in good faith (after consultation with its outside legal and financial advisors) that an Acquisition Proposal constitutes a Superior Proposal and (after consultation with its legal advisors) that failure to do so could be inconsistent with its fiduciary obligations to the Bank Shareholders under applicable law, the Bank's Board may at any time prior to the approval of the Merger by the Bank's shareholders (i) withdraw, modify or change its recommendation of this Agreement and the Merger (a "Change of Recommendation"), or (ii) terminate this Agreement to enter into a definitive agreement with

respect to such Superior Proposal; provided, however, that the Bank's Board may not effect such Change of Recommendation or termination unless and until (i) five business days have elapsed following delivery to BHC of a written notice of such determination by the Bank's Board and of the material terms and conditions of the Acquisition Proposal and the identity of the Person making the Acquisition Proposal, and, during such five business day period, the Bank reasonably cooperates with BHC with respect thereto with the intent of enabling BHC to agree to a modification of the terms and conditions of this Agreement so that the transactions contemplated hereby may be effected and so that such Acquisition Proposal would no longer represent a Superior Proposal, including negotiating in good faith with BHC and its representatives with respect to any proposed revisions to the terms of this Agreement, (ii) at the end of such five business day period, the Bank's Board shall have determined in good faith, after considering the results of such negotiations and giving effect to the proposals made by BHC, if any, after consultation with outside legal counsel, that (a) in the case of a Change of Recommendation, failure to take such action could be inconsistent with its fiduciary obligations to the Bank's shareholders under applicable law and (b) in the case of a termination of this Agreement, that such Acquisition Proposal remains a Superior Proposal as compared to the Merger, as supplemented by any counterproposals made by BHC; provided that, in the event the Bank's Board does not make the determination referred to in this clause (ii) of this paragraph but thereafter determines to effect a Change of Recommendation or termination pursuant to this Section 5.13(C)), the foregoing procedures shall apply anew and shall also apply to any subsequent withdrawal, amendment or modification, and (iii) contemporaneously with such termination, the Bank enters into a definitive acquisition, merger or similar agreement to effect the Superior Proposal.

(D) BHC shall cause Merger Sub to convene a meeting of its Board of Directors and to adopt this Agreement. BHC as the sole stockholder of Merger Sub shall approve this Agreement on behalf of Merger Sub.

5.14 Proxy Statement.

(A) BHC and the Bank shall, in accordance with Section 5.13(A) and as promptly as practicable, jointly prepare and mail to the Bank's shareholders (with each party paying the expenses incurred by it) a notice of meeting, a private placement memorandum/proxy statement and form of proxy in accordance with applicable Law (the "Proxy Statement"). BHC shall provide an initial draft of the Proxy Statement for the parties to mutually work upon, review and finalize. Each party shall have the opportunity to review and comment on the Proxy Statement and the Bank shall not mail the Proxy Statement without BHC's prior written consent (such consent not to be unreasonably withheld or delayed). Subject to any exception set forth in Section 5.13, the Proxy Statement shall include the recommendation of the Bank's Board of Directors in favor of adoption and approval of this Agreement and the transactions contemplated hereby.

(B) Each of the Bank and BHC agrees that if such party shall become aware prior to the time of the Shareholders Meeting of any information furnished by such party that would cause any of the statements in the Proxy Statement to be false or misleading with respect to any material fact, or to omit to state any material fact necessary to make the statements therein not false or misleading, it shall promptly inform the other party thereof and take the necessary steps to correct the Proxy Statement.

5.15 Third-Party Agreements, Etc.

(A) Each party shall use commercially reasonable efforts to obtain (i) within forty-five (45) calendar days after the date hereof, all consents or waivers required to be obtained from any third parties in connection with the Merger and the other transactions contemplated hereby and (ii) the cooperation of such third parties to effect a smooth transition at or after the Merger Effective Date.

(B) Each party agrees that all actions taken pursuant to this Section 5.15 shall be taken in a manner intended to minimize disruption to the customary business activities of the other party.

5.16 Stockholders Agreements. The Bank shall use commercially reasonable efforts, on behalf of BHC and pursuant to the request of BHC, to cause each shareholder who is a party to the Stockholders Agreement to comply with such Stockholders Agreement. The Bank acknowledges and agrees to be bound by and comply with the provisions of the Stockholders Agreement with respect to transfers of record ownership of shares of Bank Common Stock, and agrees to notify the transfer agent for any the Bank Common Stock and provide such documentation and do such other things as may be necessary to effectuate the provisions of such Stockholders Agreement.

5.17 Bank Option Agreements and Employment Agreements.

(A) The Bank shall use commercially reasonable efforts to deliver to BHC, on or before the Closing, executed amendments to all Bank stock option agreements in the form of that attached as Schedule 5.17A.

(B) The Bank shall use commercially reasonable efforts to assure that the employment agreements in the form attached as Schedule 5.17B between the Bank and the Executives listed in Schedule 5.17B remain in full force and effect.

5.18 Employee Benefits

(A) From and after the Effective Time, except as provided in Section 5.17, BHC shall cause the Bank to honor in accordance with their terms as in effect on the date of this Agreement all existing employment, severance, consulting and salary continuation agreements between the

Company and any current or former officer, director, employee or consultant of the Bank. Nothing in this Section 5.18 or this Agreement shall obligate BHC or the Bank to employ or otherwise retain any employee of the Bank for a certain length of time.

(B) For a period for the earlier of (i) of two years after the Merger Effective Date, or (ii) the date of the closing of any merger of the Continuing Bank with Old Florida Bank, BHC shall cause the Continuing Bank to provide employee benefits to each person who was an employee of the Bank immediately prior to the Merger Effective Date (the "Continuing Employees") that are substantially equivalent to the employee benefits provided to the employees of the Bank as of the Effective Time. To the extent that BHC elects to transfer any of the Continuing Employees to any Benefit Plan of BHC or Old Florida Bank, then BHC shall arrange for (i) the waiver of any preexisting condition limitations to the extent such conditions were covered under the applicable medical, health or dental plans of the Bank and (ii) the waiver of any waiting period limitation or evidence of insurability requirement which would otherwise be applicable to any Continuing Employee to the extent such employee had satisfied any similar limitation or requirement under an analogous Bank plan prior to the Effective Time.

(C) Notwithstanding any other provision of this Agreement, Bank, and after the Merger Effective Date, the Continuing Bank, shall be entitled to continue any employee bonus plan or practice in effect on the date of this Agreement as described in Schedule 5.18(A).

(D) Nothing in this Section 5.18 or this Agreement shall obligate BHC or the Bank to employ or otherwise retain any employee of the Bank for a certain length of time.

(E) On the Closing Date, the Bank shall pay to Sidney G. Cash the full amount of the accrual balance of the payments to be made by the Bank pursuant to the Bank Supplemental Executive Retirement Plan Agreement dated as of December 1, 2011

(F) On the Closing Date, the Bank shall pay the change in control payments required to be made by the Bank in accordance with agreements between the Bank and its executive officers as set forth on Schedule 5.18(F).

5.19 Sale of Bank Securities. Prior to the Valuation Date, the Bank shall sell all of the investment securities held by it, and the proceeds thereof shall be held in cash or cash equivalents.

6. CONDITIONS TO CONSUMMATION OF THE MERGER.

6.1 **Mutual Conditions.** The respective obligations of BHC, the Merger Sub and Bank to effect the Merger shall be subject to the satisfaction prior to Merger Effective Date of the following conditions, unless waived pursuant to Section 8.2 of this Agreement:

(A) **Stockholder Vote.** Approval of the Merger and the other transactions contemplated hereby by the required vote of the stockholders of Bank as and to the extent required by law.

(B) **Regulatory Approvals.** Procurement by BHC and Bank of all requisite approvals and consents of Regulatory Authorities including the approval of the terms and conditions of the issuance of shares of BHC Common Stock pursuant to the fairness hearing contemplated in Section 5.11, and the expiration of applicable statutory waiting periods relating thereto, *provided, however*, that no such approval or consent shall have imposed any condition or requirement which in the reasonable judgment of either BHC or the Bank would (i) unduly impair or restrict the operations of, or have a Material Adverse Effect on, BHC or the Bank, or (ii) render consummation of the Merger unduly burdensome, in each case as determined in the reasonable judgment of BHC or the Bank.

(C) **Third Party Consents.** All consents or approvals of all persons (other than Regulatory Authorities) required for the consummation of the Merger shall have been obtained and shall be in full force and effect, unless the failure to obtain any such consent or approval is not reasonably likely to have, individually or in the aggregate, a Material Adverse Effect on Bank or BHC.

(D) **No Prohibition.** There not being in effect any law, order, decree or injunction of any court or agency of competent jurisdiction that restrains, enjoins or otherwise prohibits or makes illegal consummation of the Merger or which could be reasonably expected to result in a material diminution of the benefits of the transaction to BHC or Bank, and there shall not be pending or threatened on the Merger Effective Date any action or proceeding which could reasonably be expected to result in the enactment or issuance of any such law, order, decree or injunction.

(E) **Litigation.** No action, suit, or proceeding shall be pending or threatened before any court or administrative agency of any federal, state, local or foreign jurisdiction wherein an unfavorable judgment, order, decree, stipulation, injunction or charge could (a) prevent consummation of any of the transactions contemplated by the Agreement, (b) cause any of the transactions contemplated by this Agreement to be rescinded following consummation, or (c) affect adversely the right after the Merger Effective Date of BHC to own, operate, or control substantially all of the assets and operations of Bank and BHC.

(F) **Tax Opinion.** BHC and Bank shall have received an opinion from Clifton Larson Allen, LLP, in form and substance reasonably acceptable to the parties, to the effect that the Merger constitutes a reorganization under Section 368 of the Code and that no gain or loss will be recognized by the shareholders of Bank who receive shares of BHC Common Stock in the Merger, which such opinion may rely upon factual representations contained in certificates of officers of BHC, Bank and others. The foregoing tax opinion shall not have been withdrawn as of the Merger Effective Date.

(G) **Certificates.** Each party shall have delivered to the other party a certificate (without qualification as to knowledge or materiality or otherwise) to the effect that each of the conditions set forth above in this Section has been satisfied in all respects.

6.2 **Additional BHC Conditions.** In addition, the obligation of BHC to effect the Merger shall be subject to the satisfaction prior to the Merger Effective Date of the following conditions unless waived pursuant to Section 8.2 of this Agreement:

(A) **Representations, Warranties and Covenants.** (i) Each of the representations and warranties contained herein of the Bank being true and correct as of the date of this Agreement and upon the Merger Effective Date with the same effect as though all such representations and warranties had been made on the Merger Effective Date, except (x) for any such representations and warranties made as of a specified date, which shall be true and correct as of such date, (y) as expressly contemplated by this Agreement, or (z) for representations and warranties (other than the representations and warranties set forth in Section 4.1(A), which shall be true and correct in all material respects) the inaccuracies of which relate to matters that, individually or in the aggregate, do not materially adversely affect the Merger and the other transactions contemplated by this Agreement and do not have a Material Adverse Effect (such representations and warranties to be read for this purpose without reference to any qualifications set forth therein relating to "material," "materiality" or "Material Adverse Effect"; (ii) each and all of the agreements and covenants contained herein of any party to be performed and complied with pursuant to this Agreement and the other agreements contemplated hereby prior to the Merger Effective Date shall have been duly performed and complied with in all material respects, and (iii) BHC shall have received a certificate signed by the President and Chief Executive Officer and the Chief Financial Officer of the Bank dated the Merger Effective Date, to such effect.

(B) **Dissenting Bank Shares.** The number of Dissenting Bank Shares shall not exceed 5% of the number of Bank Common Stock issued and outstanding immediately prior to the Merger Effective Date.

(C) **Shareholders' Equity.** The shareholders' equity of the Bank at the close of business on the Valuation Date and the day before the Merger Effective Date, as determined in accordance with GAAP and as consistently applied, shall not be less than \$40 million.

(D) **Allowance for Loan Losses.** The allowance for loan losses of the Bank at the close of business on the Valuation Date and the day before the Merger Effective Date, as determined in accordance with GAAP and as consistently applied, shall not be less than 1.65% of its total loans.

(E) **Bank Option Agreements and Employment Agreements.** The Bank shall have delivered amendments to the Bank Option Agreements and the employment agreements contemplated by Section 5.17, shall be in full force and effect

6.3 **Additional Bank Conditions.** In addition, the obligation of the Bank to effect the Merger shall be subject to the satisfaction prior to the Merger Effective Date of the following conditions unless waived pursuant to Section 8.2 of this Agreement:

(A) **Representations, Warranties and Covenants.** (i) Each of the representations and warranties contained herein of BHC and Old Florida Bank being true and correct as of the date of this Agreement and upon the Merger Effective Date with the same effect as though all such representations and warranties had been made on the Merger Effective Date, except (x) for any such representations and warranties made as of a specified date, which shall be true and correct as of such date, (y) as expressly contemplated by this Agreement, or (z) for representations and warranties (other than the representations and warranties set forth in Section 4.1(A), which shall be true and correct in all material respects) the inaccuracies of which relate to matters that, individually or in the aggregate, do not materially adversely affect the Merger and the other transactions contemplated by this Agreement and do not have a Material Adverse Effect; (such representations and warranties to be read for this purpose without reference to any qualifications set forth therein relating to "material," "materiality" or "Material Adverse Effect" (ii) each and all of the agreements and covenants contained herein of any party to be performed and complied with pursuant to this Agreement and the other agreements contemplated hereby prior to the Merger Effective Date shall have been duly performed and complied with in all material respects, and (iii) the Bank shall have received a certificate signed by the President and Chief Executive Officer and the Chief Financial Officer of BHC dated the Merger Effective Date, to such effect.

(B) **BHC Shareholders' Equity.** The shareholders' equity of the BHC at the close of business on the Valuation Date and the day before the Merger Effective Date, as determined in accordance with GAAP and as consistently applied, shall not be less than \$70 million.

(C) **Old Florida National Bank Allowance for Loan Losses.** The allowance for loan losses of Old Florida National Bank at the close of business on the Valuation Date and the day before the Merger Effective Date, as determined in accordance with GAAP and as consistently applied, shall not be less than 1.65% of its total loans, excluding any portion of the loans held by Mercantile Capital Corporation, Inc.

7. TERMINATION.

7.1 **Termination.** This Agreement may be terminated prior to the Merger Effective Date either before or after receipt of any required shareholder approval under the following circumstances:

(A) **Mutual Consent.** At any time prior to the Merger Effective Date, by the mutual consent of BHC and Bank.

(B) **Breach.** At any time prior to the Merger Effective Date, by BHC or Bank, in the event of (i) a breach by the other party of any representation or warranty contained herein, which breach has not been cured within thirty (30) days after the giving of written notice to the breaching party of such breach and which breach, individually or in the aggregate with other breaches, could reasonably be anticipated to have a Material Adverse Effect on such breaching party, or (ii) a material breach by the other party of any of the covenants or agreements contained herein, which breach has not been cured within thirty (30) days after the giving of written notice to the breaching party of such breach.

(C) **Delay.** By BHC or the Bank if the Merger is not consummated by the 270th day subsequent to the date of this Agreement, except to the extent that the failure of the Merger then to be consummated arises out of or results from the knowing action or inaction of (i) the party seeking to terminate pursuant to this Section 7.1(C) or (ii) any of the shareholders who are parties to the Stockholders Agreements (if the Bank is the party seeking to terminate), which action or inaction is in violation of its obligations under this Agreement or, in the case of any of the shareholders who are parties to the Stockholders Agreements, such shareholder's obligations under the Stockholders Agreement; *provided, however*, that the foregoing date shall be extended if by the 270th day subsequent to the date of this Agreement all of such regulatory approvals have not been received or applicable waiting periods for consummation of the Merger have not expired and, *provided further*, that the extension shall be for a period following such 270th day equal to the lesser of (x) 90 days, or (y) 30 days after satisfaction of all conditions set forth in Article VI, including, without limitation, the receipt of the regulatory approvals (and the expiration of all waiting periods) referred to in Section 6.1(B)

(D) **No Regulatory Approval.** By Bank or BHC, if the approval of any Regulatory Authority required for consummation of the Merger and the other transactions contemplated by this Agreement shall have been denied by final and non-appealable action of such Regulatory Authority or an application therefor shall have been permanently withdrawn at the invitation, request or suggestion of a Regulatory Authority.

(E) **No Stockholder Approval.** By Bank or BHC (so long as, in the case of the Bank, the shareholders who are parties to the Stockholders Agreements have complied in all material respects with the terms of the Stockholders Agreement) if the approval of the shareholders of the Bank contemplated by this Agreement shall not have been obtained by reason

of the failure to obtain the required vote at the Shareholders Meeting or at any adjournment or postponement thereof.

(F) **Failure of Bank to Recommend.** Subject to Section 5.13(C), by BHC, at any time prior to the Shareholders Meeting, if the Board of Directors of Bank shall have failed to recommend approval of the Merger, withdrawn such recommendation or modified or changed such recommendation in a manner adverse to the interests of BHC.

(G) **Failure of BHC to Approve.** By Bank, if at any time prior to Closing, BHC as the sole shareholder of Merger Sub fails to approve the Merger.

(H) **Material Adverse Effect.** By BHC or Bank in the event that there shall have occurred a Material Adverse Effect following September 30, 2012 with respect to the other.

(I) **Other Termination by Bank.** By the Bank pursuant to Section 5.13(C).

7.2 Effect of Termination and Abandonment.

(A) In the event of termination of this Agreement and the abandonment of the Merger pursuant to this Article VII, no party to this Agreement shall have any liability or further obligation to any other party hereunder except (i) as set forth in this Section 7.2 and in Section 8.1, and (ii) that termination will not relieve a breaching party from liability for any breach of this Agreement giving rise to such termination.

(B) Notwithstanding any other provision of this Agreement, if this Agreement is terminated by the Bank pursuant to Section 7.1(I), then the Bank shall on the date of such termination pay to BHC by wire transfer \$3,000,000 in full satisfaction of BHC's losses and damages resulting from such termination.

(C) BHC and the Bank each acknowledge and agree that the agreements set forth in this Section 7.2 are an integral part of the transactions contemplated by this Agreement, and that, without these agreements, neither party would have entered into this Agreement. The Bank agrees that the fee contemplated by Section 7.2(B) is reasonable under the circumstances, that it would be impossible to exactly determine BHC's actual damages as a result of such a termination, and that BHC's actual damages resulting from the loss of the transactions contemplated by this Agreement are in excess of such fee.

8. OTHER MATTERS.

8.1 **Survival.** If the Merger Effective Date occurs, then the respective representations, warranties, obligations, covenants and agreements of the parties shall not survive the Merger Effective Date, except for those covenants and agreements contained herein which by their terms apply in whole or in part after the Merger Effective Date. If this Agreement is

terminated prior to the Merger Effective Date, the agreements and representations of the parties in Sections 4.1(L), 5.3(B), 5.12, 7.2, and this Article VIII shall survive such termination.

8.2 Waiver or Amendment. Prior to the Merger Effective Date, any provision of this Agreement may be (i) waived by the party benefitted by the provision, or (ii) amended or modified at any time (including the structure of the transaction), by an agreement in writing among the parties hereto, except that, after the vote by the stockholders of Bank, the consideration to be received by the Bank stockholders for each share of Bank Common Stock shall not thereby be decreased, except as otherwise provided in this Agreement.

8.3 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to constitute an original. This Agreement shall become effective when one counterpart has been signed by each party hereto.

8.4 Governing Law.

(A) This Agreement shall be governed by, and interpreted in accordance with, the substantive laws of the State of Florida without regard to its principles of conflicts of laws, except as federal law may be applicable. In addition, each of the parties to this Agreement (i) consents to submit itself to the exclusive personal jurisdiction of a Florida state or federal court sitting in Orange County, Florida in the event any dispute arises out of this Agreement or any of the transactions contemplated by this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (iii) agrees that it will not bring any action relating to this Agreement or any of the Transactions contemplated by this Agreement in any court other than a Florida state or federal court sitting in Orange County, Florida and (iv) consents to service being made through the notice procedures set forth in Section 8.7.

(B) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (i) NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, AND (iii) EACH PARTY MAKES THIS WAIVER VOLUNTARILY.

8.5 **Expenses.** Each party hereto will bear all expenses incurred by it in connection with this Agreement and the transactions contemplated hereby. Notwithstanding the foregoing, if any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provision of this Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees, court costs and expenses, incurred in that action or proceeding, in addition to any other relief which such party may be entitled.

8.6 **Confidentiality.** Except as otherwise provided in Section 5.3, each of the parties hereto and their respective agents, attorneys and accountants will maintain the confidentiality of all information provided in connection herewith which has not been publicly disclosed.

8.7 **Notices.** All notices, requests and other communications hereunder to a party shall be in writing and shall be deemed to have been duly given when delivered by hand, courier service, by facsimile transmission, or mailed (by registered or certified mail) postage prepaid, return receipt requested, addressed to (confirmed in writing) to such party at its address set forth below or such other address as such party may specify by notice to the parties hereto:

If to BHC to:

John O. Burden, Sr.
Vice President and Secretary
Old Florida Bancshares, Inc.
315 East Robinson Street, Suite 100
Orlando, Florida 32801
Facsimile: (407) 650-9823

With, a copy to:

John P. Greeley, Esquire
Smith Mackinnon, PA
255 South Orange Avenue, Suite 800
Orlando, Florida 32801
Facsimile: (407) 843-2448

If to Bank, to:

David R. Dotherow
President and Chief Executive Officer
New Traditions National Bank
600 Wilkinson Street, Suite 100
Orlando, Florida 32803
Facsimile: (407) 206-7801

With, a copy to:

Rod Jones, Esquire
Shutts & Bowen, LLP
300 South Orange Avenue, Suite 1000
Orlando, Florida 32801
Facsimile: (407) 849-7206

Each such notice shall be deemed delivered (a) on the date delivered if by hand delivery; (b) on the date of transmission with confirmed answer back if by facsimile or other telegraphic method; and (c) on the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, as the case may be, if mailed.

8.8 Definitions. Any term defined anywhere in this Agreement shall have the meaning ascribed to it for all purposes of this Agreement (unless expressly noted to the contrary). In addition:

(A) “Affiliate” means, as to any person, any other person which, directly or indirectly, is in control of, is controlled by or is under common control with such person. For purposes of this definition, “control” of a person shall mean the power, directly or indirectly, either to (i) vote 10% or more of the securities having ordinary voting power for the election of directors or other management of such person or (ii) direct or cause the direction of the management and policies of such person, whether by contract or otherwise.

(B) “Acquisition Proposal” means any proposal regarding (i) any merger, consolidation, share exchange, business combination, recapitalization, reorganization, liquidation, dissolution or other similar transaction or series of related transactions involving the Bank; (ii) any direct or indirect purchase or sale, lease, exchange, transfer or other disposition of the assets of the Bank constituting 10% or more of the total assets of the Bank, in any one transaction or in a series of related transactions (other than sales of classified assets made by the Bank in compliance with the requirements of this Agreement); or (iii) any direct or indirect purchase or sale of or tender offer, exchange offer or any similar transaction or series of related transactions engaged in by any Person involving 10% or more of the outstanding shares of the Bank’s common stock.

(C) “Business day” means Monday through Friday of each week, except a legal holiday recognized as such by the United States federal government or any day on which banking institutions in the State of Florida are authorized or obligated by Law to close.

(D) “Code” means the Internal Revenue Code of 1986, as amended

(E) “GAAP” means generally accepted accounting principles in the United States, consistently applied over the period involved.

(F) “Knowledge” when used with respect to a party shall mean the knowledge, after due inquiry, of any “Executive Officer” of such party, as such term is defined in Regulation O of the Federal Reserve Board;

(G) “Material Adverse Effect” shall mean (a) an event, occurrence or circumstance, which individually or in the aggregate, results, or is reasonably likely to result, in a decrease in the shareholders’ equity account of a party, as determined in accordance with GAAP and as measured from its Unaudited Financial Statements in an amount equal to or greater than \$1,000,000 as to the Bank and \$1,500,000 as to BHC, as a result of a breach of a representation or warranty, or (b) a breach of a representation or warranty which would materially impair the party’s ability to perform its obligations under this Agreement or the consummation of the Merger and the other transactions contemplated by this Agreement; *provided, however*, that the term Material Adverse Effect shall not be deemed to include the impact of (a) changes in banking and similar laws of general applicability or interpretations thereof by courts or governmental authorities; and (b) changes in generally accepted accounting principles or regulatory accounting requirements applicable to banks and bank holding companies generally.

(H) “Person” means an individual, corporation, partnership, limited liability company, association, trust, unincorporated organization, other entity or group (as defined in Section 13 (d) (3) of the Securities Exchange Act of 1934, as amended, and the regulations issued thereunder).

(I) “Superior Proposal” means an Acquisition Proposal (except that solely for purposes of the definition of “Superior Proposal” all references in the definition of “Acquisition Proposal” to “10%” shall be deemed to be references to 50.1%) which is on terms which the Bank’s Board of Directors concludes in good faith (after consultation with its legal and financial advisors) (x) would be, if consummated, more favorable to the Bank Shareholders than the Bank Merger, taking into account all of the terms and conditions of such proposal and of this Agreement (including any proposal by BHC to amend the terms of this Agreement) as well as any other factors deemed relevant by the Board of Directors, and (y) is reasonably capable of being consummated on the terms so proposed, taking into account all financial, regulatory, legal and other aspects of such proposal.

8.9 Entire Understanding; No Third Party Beneficiaries. This Agreement represents the entire understanding of the parties hereto with reference to the transactions contemplated hereby and thereby and supersedes any and all other oral or written agreements heretofore made, and except for Section 5.12, nothing in this Agreement expressed or implied, is intended to confer upon any person, other than the parties hereto or their respective successors, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

8.10 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of Law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any

manner adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

8.11 Enforcement of the Agreement. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

8.12 Interpretation. When reference is made in this Agreement to a Section, such reference shall be to a Section of this Agreement unless otherwise indicated. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." The words "hereof," "herein," "hereby" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The word "or" shall not be exclusive. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted.

8.13 Assignment. This Agreement shall not be assignable by either party, by operation of law or otherwise without the prior written consent of the other party.

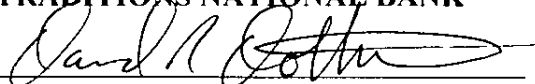
8.14 Effect. No provision of this Agreement shall be construed to require the Bank or BHC or any Affiliates or directors of any of them to take any action or omit to take any action which action or omission would violate applicable Law.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in counterparts by their duly authorized officers, all as of the day and year first above written.

NEW TRADITIONS NATIONAL BANK

By: _____

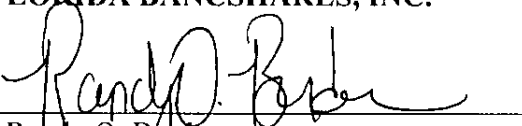


David R. Dotherow

President and Chief Executive Officer

OLD FLORIDA BANCSHARES, INC.

By: _____



Randy O. Burden

Chairman and Chief Executive Officer

FILED
13 OCT 31 PM 1:49
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

EXHIBIT 1
DIRECTORS AND EXECUTIVE OFFICERS
OF NEW TRADITIONS BANK
FOLLOWING THE MERGER EFFECTIVE DATE

Directors:*

Jamie A. Adley

Dell W. Avery

James L. Bolen, M.D.

Sidney G. Cash

Michael C. Crisante, Jr.

David R. Dotherow

James W. Ferrell

Jeffrey C. Jenkins

Stanley T. Pietkiewicz

Executive Officers:*

David R. Dotherow	President and Chief Executive Officer
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Sidney G. Cash	Vice Chairman
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R. Richard O'Brien	Executive Vice President and Senior Lender
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Jeffrey C. Jenkins	Executive Vice President and Chief Financial Officer
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*The address for each individual is 600 Wilkinson Street, Suite 100, Orlando, Florida 32803

EXHIBIT 2

DIRECTORS AND EXECUTIVE OFFICERS OF OLD FLORIDA NATIONAL BANK FOLLOWING THE MERGER EFFECTIVE DATE

Directors:*

Randy O. Burden, Chairman of the Board	Charles B. Lowe, Jr.
A. David Bates	Patrick C. Mathes, III
Dennis Buhring	Rodney M. Metz
John O. Burden, Sr.	Samuel D. Oswald
James P. Caruso	Jack G. Prevost
Deno P. Dikeou	Michael L. Russ
Tracy S. Forrest	William M. Stange
Jeffrey B. Fuqua	Craig T. Ustler
Edward J. Gerrits, II	G. Geoffrey Longstaff

Executive Officers:*

John O. Burden, Sr.	President and Chief Executive Officer
Robert P. Kenney	Executive Vice President/Chief Financial Officer
Cary L. Berman	Executive Vice President/Retail Banking
Jeffrey D. Phillips	Executive Vice President/Credit Administration
F.G. Pullum	Executive Vice President/Commercial Banking
John L. Calpey	Chief Operating Officer

*The address for each individual is 315 East Robinson Street, Suite 100, Orlando, Florida 32801

EXHIBIT 3

DIRECTORS AND EXECUTIVE OFFICERS OF OLD FLORIDA BANCSHARES, INC. FOLLOWING THE MERGER EFFECTIVE DATE

Directors:*

Jamie A. Adley

Dell W. Avery

A. David Bates

James L. Bolen, M.D.

C. David Brown II

Randy O. Burden

John O. Burden, Sr.

James P. Caruso

Sidney G. Cash

Michael C. Crisante Jr.

David R. Dotherow

James W. Ferrell

Tracy S. Forrest

Jeffry B. Fuqua

Edward J. Gerrits, II

Patrick C. Mathes, III

M. Rodney Metz

Brian B. Musso

Samuel D. Oswald

Stanley T. Pietkiewicz

Jack G. Prevost

Craig T. Ustler

Executive Officers:*

Randy O. Burden	Chairman and Chief Executive Officer
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Jack G. Prevost	President
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John O. Burden, Sr.	Vice President and Secretary
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Robert P. Kenney	Chief Financial Officer
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David R. Dotherow	Vice President
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Sidney G. Cash	Vice Chairman
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*The address for each individual is 315 East Robinson Street, Suite 100, Orlando, FL 32801

EXHIBIT 4

BANKING OFFICES OF NEW TRADITIONS NATIONAL BANK FOLLOWING THE MERGER EFFECTIVE DATE

Main Office: 600 Wilkinson Street, Suite 100, Orlando, Florida 32803
Longwood Office: 505 Wekiva Springs Road, Suite 700, Longwood, Florida 32779
Maitland Office: 145 South Orlando Avenue, Suite 1, Maitland, Florida 32751

**AMENDMENT NO. 1 TO
PLAN OF MERGER AND MERGER AGREEMENT**

FILED

13 OCT 31 PM 1:49

This Amendment No. 1 (the "Amendment") to Plan of Merger and Merger Agreement is made effective as of February 21, 2013 by and between Old Florida Bancshares, Inc. ("BHC") and New Traditions National Bank ("Bank").

SECRETARY OF STATE
FLORIDA

BACKGROUND

WHEREAS, the parties entered into a Plan of Merger and Merger Agreement as of November 5, 2012 (the "Agreement"), and desire to amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the covenants, representations and warranties set forth herein, and for the good and valuable consideration, BHC and the Bank, intending to be legally bound, agree as follows:

1. Defined Terms. All terms used in this Amendment which are defined in the Agreement shall have the meanings specified in the Agreement.

2. Amendment of Section 1.1(D). Exhibits 1 and 3 to the Agreement are deleted in their entirety and replaced by the Exhibits 1 and 3, respectively, which are attached to this Amendment.

3. Amendment of Section 1.1(D). Section 1.1(D) of the Agreement is hereby amended by adding the following new subsection (vi):

- (vi) In addition to the persons named on Exhibits 1 and 3 as directors of the Continuing Bank and BHC, respectively, the Bank (prior to the Merger Effective Date) or the Continuing Bank (on or after the Merger Effective Date) shall have the right to select one additional person to serve as a director of the Continuing Bank and BHC commencing on or after the Merger Effective Date, which such director shall be mutually agreed upon by the Bank or the Continuing Bank, as the case may be, and BHC, as well as subject to any required approval of such person's service by the appropriate Regulatory Authorities. The selection of such person as a director of the Continuing Bank and BHC shall not constitute an appointment to fill a vacancy subject to the provisions of Sections 1.4(C) and (D) of the Agreement.

4. Amendment to Section 6.2(D). Section 6.2(D) of the Agreement is hereby amended and restated in its entirety as follows:

D. **Allowance for Loan Losses.** The allowance for loan losses of the Bank at the close of business on the Valuation Date shall not be less than 1.65% and on the day before the

Merger Effective Date shall not be less than 1.15%, in each case as a percent of its total loans and determined in accordance with GAAP as consistently applied.


5. Amendment to Section 6.3(C). Section 6.3(C) of the Agreement is hereby amended and restated in its entirety as follows:

C. **Old Florida National Allowance for Loan Losses.** The allowance for loan losses of Old Florida National Bank at the close of business on the Valuation Date shall not be less than 1.62% and on the day before the Merger Effective Date shall not be less than 1.15%, in each case as a percent of its total loans and determined in accordance with GAAP as consistently applied and excluding any portion of the loans held by Mercantile Capital Corporation, Inc.

6. Effect of Amendment. Except as expressly modified by this Amendment, the terms, covenants and conditions of the Agreement shall remain in full force and effect.

The undersigned have signed this Amendment effective as of the date set forth above.

OLD FLORIDA BANCSHARES, INC.

By: 

John O. Burden, Sr.
Vice President

NEW TRADITIONS NATIONAL BANK

By: _____
David R. Dotherow
President and Chief Executive Officer

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TALLAHASSEE

Merger Effective Date shall not be less than 1.15%, in each case as a percent of its total loans and determined in accordance with GAAP as consistently applied.

5. Amendment to Section 6.3(C). Section 6.3(C) of the Agreement is hereby amended and restated in its entirety as follows:

C. **Old Florida National Allowance for Loan Losses.** The allowance for loan losses of Old Florida National Bank at the close of business on the Valuation Date shall not be less than 1.62% and on the day before the Merger Effective Date shall not be less than 1.15%, in each case as a percent of its total loans and determined in accordance with GAAP as consistently applied and excluding any portion of the loans held by Mercantile Capital Corporation, Inc.

6. Effect of Amendment. Except as expressly modified by this Amendment, the terms, covenants and conditions of the Agreement shall remain in full force and effect.

The undersigned have signed this Amendment effective as of the date set forth above.

OLD FLORIDA BANCSHARES, INC.

NEW TRADITIONS NATIONAL BANK

By: _____
John O. Burden, Sr.
Vice President

By: 
David R. Dotherow
President and Chief Executive Officer

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TALLAHASSEE, FLORIDA

EXHIBIT 1

**DIRECTORS AND EXECUTIVE OFFICERS
OF NEW TRADITIONS BANK
FOLLOWING THE MERGER EFFECTIVE DATE**

Directors:*

Dell W. Avery
James L. Bolen, M.D.
Sidney G. Cash
Michael C. Crisante, Jr.
David R. Dotherow
James W. Ferrell
Jeffrey C. Jenkins
Stanley T. Pietkiewicz

Executive Officers:*

David R. Dotherow	President and Chief Executive Officer
Sidney G. Cash	Vice Chairman
R. Richard O'Brien	Executive Vice President and Senior Lender
Jeffrey C. Jenkins	Executive Vice President and Chief Financial Officer

*The address for each individual is 600 Wilkinson Street, Suite 100, Orlando, Florida 32803

EXHIBIT 3

DIRECTORS AND EXECUTIVE OFFICERS OF OLD FLORIDA BANCSHARES, INC. FOLLOWING THE MERGER EFFECTIVE DATE

Directors:*

Dell W. Avery
A. David Bates
James L. Bolen, M.D.
C. David Brown II
Randy O. Burden
John O. Burden, Sr.
James P. Caruso
Sidney G. Cash
Michael C. Crisante Jr.
David R. Dotherow
James W. Ferrell
Tracy S. Forrest
Jeffry B. Fuqua
Edward J. Gerrits, II
Patrick C. Mathes, III
M. Rodney Metz
Brian B. Musso
Samuel D. Oswald
Stanley T. Pietkiewicz
Jack G. Prevost
Craig T. Ustler

Executive Officers:*

Randy O. Burden	Chairman and Chief Executive Officer
Jack G. Prevost	President
John O. Burden, Sr.	Vice President and Secretary
Robert P. Kenney	Chief Financial Officer
David R. Dotherow	Vice President
Sidney G. Cash	Vice Chairman

*The address for each individual is 315 East Robinson Street, Suite 100, Orlando, FL 32801

AMENDMENT NO. 2 TO
PLAN OF MERGER AND MERGER AGREEMENT

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This Amendment No. 2 (the "Amendment") to Plan of Merger and Merger Agreement is made effective as of August 28, 2013 by and between Old Florida Bancshares, Inc. ("BHC") and New Traditions National Bank ("Bank").

BACKGROUND

WHEREAS, the parties entered into a Plan of Merger and Merger Agreement as of November 5, 2012, as amended on February 21, 2013 (the "Agreement"), and desire to amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the covenants, representations and warranties set forth herein, and for the good and valuable consideration, BHC and the Bank, intending to be legally bound, agree as follows:

1. Defined Terms. All terms used in this Amendment which are defined in the Agreement shall have the meanings specified in the Agreement.

2. Amendment of Section 1.4. Section 1.4 of the Agreement is hereby amended and restated in its entirety as follows:

1.4 BHC and Bank Board Meetings and Bylaws. Until the second anniversary of the Merger Effective Date, meetings of the Board of Directors of BHC shall be held quarterly or more frequently as determined by the BHC Board of Directors. On the Merger Effective Date, the Bylaws of BHC shall provide that until the second anniversary of the Merger Effective Date, each of the following actions shall require the prior approval of at least 75% of the directors of BHC:

(A) The appointment of any person to fill a vacancy on the Board of Directors of the Continuing Bank.

(B) The appointment of any person to fill a vacancy on the Board of Directors of BHC or Old Florida Bank, if the director previously holding the position being vacated was a director of the Bank prior to the Merger Effective Date.

(C) The removal of any director of the Continuing Bank.

(D) The removal of any director of Old Florida Bank, if the director previously holding the position being vacated was a director of the Bank prior to the Merger Effective Date.

(E) Any increase in the size of the Board of Directors of the Continuing Bank by more than four directors.

(F) The appointment of a person, other than the person who served as President and Chief Executive Officer of the Bank as of the date of this Agreement, to serve as the President or Chief Executive Officer of the Continuing Bank.

Notwithstanding the foregoing, the Bylaws of BHC may be amended prior to the second anniversary of the Merger Effective Date to eliminate the foregoing approval requirements of the BHC directors upon the approval of at least 75% of the directors of BHC.

The foregoing approval requirements shall not apply to any action required to be taken by any court or regulatory agency having jurisdiction over BHC, Old Florida Bank or the Continuing Bank.


3. Amendment of Section 7.1(C). Section 7.1(C) of the Agreement is hereby amended and restated in its entirety as follows:

(C) Delay. By BHC or the Bank if the Merger is not consummated by January 31, 2014, except to the extent that the failure of the Merger then to be consummated arises out of or results from the knowing action or inaction of (i) the party seeking to terminate pursuant to this Section 7.1(C) or (ii) any of the shareholders who are parties to the Stockholders Agreements (if the Bank is the party seeking to terminate), which action or inaction is in violation of its obligations under this Agreement or, in the case of any of the shareholders who are parties to the Stockholders Agreements, such shareholder's obligations under the Stockholders Agreement.

4. Effect of Amendment. Except as expressly modified by this Amendment, the terms, covenants and conditions of the Agreement shall remain in full force and effect.

The undersigned have signed this Amendment effective as of the date set forth above.

OLD FLORIDA BANCSHARES, INC.

By: 
John C. Burden, Sr.
Vice President

NEW TRADITIONS NATIONAL BANK

By: _____
David R. Dotherow
President and Chief Executive Officer

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Notwithstanding the foregoing, the Bylaws of BHC may be amended prior to the second anniversary of the Merger Effective Date to eliminate the foregoing approval requirements of the BHC directors upon the approval of at least 75% of the directors of BHC.

The foregoing approval requirements shall not apply to any action required to be taken by any court or regulatory agency having jurisdiction over BHC, Old Florida Bank or the Continuing Bank.

3. Amendment of Section 7.1(C). Section 7.1(C) of the Agreement is hereby amended and restated in its entirety as follows:

(C) Delay. By BHC or the Bank if the Merger is not consummated by January 31, 2014, except to the extent that the failure of the Merger then to be consummated arises out of or results from the knowing action or inaction of (i) the party seeking to terminate pursuant to this Section 7.1(C) or (ii) any of the shareholders who are parties to the Stockholders Agreements (if the Bank is the party seeking to terminate), which action or inaction is in violation of its obligations under this Agreement or, in the case of any of the shareholders who are parties to the Stockholders Agreements, such shareholder's obligations under the Stockholders Agreement.

4. Effect of Amendment. Except as expressly modified by this Amendment, the terms, covenants and conditions of the Agreement shall remain in full force and effect.

The undersigned have signed this Amendment effective as of the date set forth above.

OLD FLORIDA BANCSHARES, INC.

NEW TRADITIONS NATIONAL BANK

By: _____
John O. Burden, Sr.
Vice President

By: 
David R. Dotherow
President and Chief Executive Officer

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TALLAHASSEE, FLORIDA

RESTATED
ARTICLES OF INCORPORATION
OF
NT INTERIM BANK

NT Interim Bank does hereby amend and restate its Articles of Incorporation by filing the following Restated Articles of Incorporation, pursuant to Section 607.1007, of the Florida Business Corporation Act (the "Act").

ARTICLE I

Name

The name of the Corporation is New Traditions Bank.

ARTICLE II

Duration

The term for which said Corporation shall exist shall commence on the date its Articles of Incorporation were filed by the Florida Department of State and be perpetual unless terminated pursuant to the Florida Financial Institutions Codes.

ARTICLE III

Purpose

The general nature of the business to be transacted by this Corporation shall be that of a general commercial banking business with all the rights, powers, and privileges granted and conferred by the Florida Financial Institutions Codes, regulating the organization, powers, and management of banking corporations.

ARTICLE IV

Capital Stock

A. **Number and Class of Shares Authorized; Par Value.**

The Corporation is authorized to issue the following shares of capital stock:

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TALLAHASSEE, FLORIDA

(1) Common Stock. The Corporation shall have authority to issue 5,000,000 shares of common stock with a par value of \$5.00 per share (referred to in these Restated Articles of Incorporation as "Common Stock").

B. Description of Common Stock. The terms, preferences, limitations and relative rights of the Common Stock are as follows:

(1) Dividends on Common Stock. The holders of Common Stock shall be entitled to receive such dividends if, as, and when declared by the Board of Directors out of funds legally available therefor.

(2) Voting Rights. Each record holder of Common Stock shall be entitled to one vote for each share held. Holders of Common Stock shall have no cumulative voting rights in any election of directors of the Corporation.

(3) Preemptive Rights. Holders of Common Stock shall not have as a matter of right any preemptive or preferential right to subscribe for, purchase, receive, or otherwise acquire any part of any new or additional issue of stock of any class, whether now or hereafter authorized, or of any bonds, debentures, notes, or other securities of the Corporation, whether or not convertible into shares of stock of the Corporation.

ARTICLE V

Directors

The number of Directors of this Corporation shall be the number from time to time fixed by the shareholders or by the Directors, in accordance with the provisions of the bylaws of the Corporation, but at no time shall the number of Directors be less than five. A majority of the full Board of Directors may, at any time during the year following an annual meeting of shareholders, increase the number of directors of this Corporation by not more than two and appoint persons to fill the resulting vacancies.

ARTICLE VI

Bylaws

The power to adopt, alter, amend or repeal bylaws shall be vested in the Board of Directors.

ARTICLE VII

Amendment of Restated Articles of Incorporation

These Restated Articles of Incorporation may be amended in the manner from time to time provided by law and any right conferred upon the shareholders by any provision of these Restated Articles of Incorporation is hereby made subject to this reservation.

CERTIFICATE

The foregoing Restated Articles of Incorporation contain an amendment to the Articles of Incorporation requiring shareholder approval and were duly adopted by the holders of the shares of Common Stock, being the sole shares entitled to vote thereon, in accordance with the Act, on October 28, 2013, and the number of votes cast for the foregoing Restated Articles of Incorporation was sufficient for approval by such holders of Common Stock.

IN WITNESS WHEREOF, the undersigned President and Chief Executive Officer of this Corporation has executed these Restated Articles of Incorporation on the 28th day of October, 2013.

NT INTERIM BANK

By: _____

John O. Burden, Sr.
President and Chief Executive Officer

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ALLAHASSI
FLORIDA

STATE OF FLORIDA)
COUNTY OF ORANGE)

The foregoing instrument was acknowledged before me this 28th day of October, 2013, by John O. Burden, Sr., President and Chief Executive Officer, of NT Interim Bank, a Florida corporation, on behalf of the corporation.



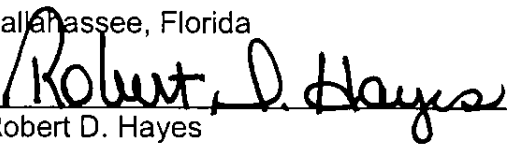
Printed Name: Elizabeth S. Pullum
Notary Public, State of Florida

Personally Known ☒ or Produced Identification ☐
Type of Identification Produced _____

APPROVAL

Restated Articles of Incorporation approved by the Florida Office of Financial Regulation this 30th day of October, 2013.

Tallahassee, Florida


Robert D. Hayes
Director, Division of Financial Institutions