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MERGER OR SHARE EXCHANGE

STERLING BANCGROUP, INC.

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FLORIDA DEPARTMENT OF STATE

Glenda E. Hood
Secretary of State

January 5, 2004

STERLING BANCGROUP, INC.
1189 HYPOLUXO ROAD
LANTANA, FL 33462US

SUBJECT: STERLING BANCGROUP, INC.
REF: P95000009394

We received your electronically transmitted document. However, the document has not been filed. Please make the following corrections and refax the complete document, including the electronic filing cover sheet.

Section 607.1101(3)(a), Florida Statutes provides that a plan of merger may set forth amendments to, or a restatement of the articles of incorporation of the surviving corporation. Therefore, if the articles of incorporation of the merging corporation will become the articles of incorporation of the surviving corporation, please add an exhibit titled Restated Articles of Incorporation which include the provisions of the restated articles currently in effect for the surviving corporation. If the registered agent is also changing, the signature of the new agent is required, along with a statement that he/she is familiar with and accepts the obligations of the position.

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**ARTICLES OF MERGER
OF
SBG INTERIM, INC.
WITH AND INTO
STERLING BANCGROUP, INC.**

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The undersigned corporation, acting pursuant to the applicable provisions of the Florida Business Corporation Act (the "FBCA"), hereby adopt the following Articles of Merger:

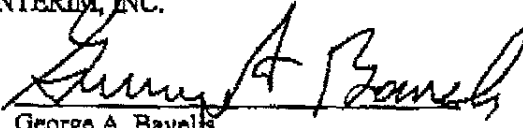
1. The name of the surviving corporation is Sterling BancGroup, Inc. (the "Surviving Corporation"), a corporation organized under the laws of the State of Florida.
2. The name of the merging corporation is SBG Interim, Inc. (the "Merging Corporation"), a corporation organized under the laws of the State of Florida.
3. The Agreement and Plan of Merger ("Plan of Merger") setting forth the terms and conditions of the merger is attached hereto as Exhibit A and is incorporated herein by reference.
4. The Plan of Merger was adopted by the Board of Directors of the Surviving Corporation on ~~February~~ 21, 2003, and was approved by an affirmative vote of at least two-thirds of the shareholders of the Surviving Corporation at the annual shareholders meeting duly called and held on April 21, 2003, in accordance with the requirements of the FBCA and of the Articles of Incorporation and Bylaws of the Surviving Corporation.
5. The Plan of Merger was adopted and approved by the Board of Directors and the Sole Shareholder of the Merging Corporation on April 17, 2003, in accordance with the requirements of the FBCA and of the Articles of Incorporation and Bylaws of the Merging Corporation.
6. The merger shall be effective on the date the Articles of Merger are filed with the Secretary of State of Florida.

IN WITNESS WHEREOF, the undersigned hereby execute these Articles of Merger as of the 19th day of December, 2003.

STERLING BANCGROUP, INC.

By: 
Name: George A. Bavelis
Title: Chairman and CEO

SBG INTERIM, INC.

By: 
Name: George A. Bavelis
Title: President

AGREEMENT AND PLAN OF MERGER

BY AND BETWEEN

STERLING BANCGROUP, INC.

AND

SBG INTERIM, INC.

Dated as of April 7, 2003

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AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "**Agreement**") is made and entered into as of April 7, 2003, by and between STERLING BANCGROUP, INC. ("**SBG**"), a Florida thrift holding company and SBG INTERIM, INC. ("**Interim**"), a Florida corporation.

Preamble

The respective boards of directors of SBG and Interim have approved and adopted this Agreement and the transactions described herein and have adopted resolutions to submit this Agreement to their respective shareholders for their approval. This Agreement provides for the merger of Interim with and into SBG, with SBG being the surviving corporation. At the effective time of such Merger, the outstanding shares, options and warrants of certain Non-qualified Holders of SBG Common Stock shall be converted into the right to receive the Cash Consideration from SBG (except as provided herein) and the remaining outstanding shares of SBG Common Stock held by Qualified Holders shall be converted into the right to receive newly issued shares of SBG Common Stock. As a result, SBG shall succeed, without other transfer, to all the rights and property of Interim and shall be subject to all the debts and liabilities of Interim as if SBG had itself incurred them. The transactions described in this Agreement are subject to the approvals of the shareholders of Interim, SBG, the Board of Governors of the Federal Reserve System, and the satisfaction of certain other conditions described in this Agreement.

Certain capitalized terms used in this Agreement are defined in Section 11.1 of this Agreement.

NOW, THEREFORE, in consideration of the above and the mutual warranties, representations, covenants, and agreements set forth herein, the Parties agree as follows:

ARTICLE 1 TRANSACTIONS AND TERMS OF MERGER

1.1 Merger.

Subject to the terms and conditions of this Agreement, at the Effective Time, Interim shall be merged with and into SBG in accordance with the provisions of Section 607.1101 of the Florida Business Corporation Act ("**FBCA**") and with the effect provided in the provisions of Section 607.1106 of the FBCA (the "**Merger**"). SBG shall be the Surviving Corporation resulting from the Merger and shall continue to be governed by the laws of the State of Florida. The Merger shall be consummated pursuant to the terms of this Agreement, which has been approved and adopted by the respective Boards of Directors of SBG and Interim.

1.2 Time and Place of Closing.

The closing of the transactions contemplated hereby (the "**Closing**") will take place at 9:00 a.m., Eastern standard time, on the date that the Effective Time occurs (or the immediately preceding day if the Effective Time is earlier than 9:00 a.m., Eastern Standard time), or at such other time as the Parties, acting through their authorized officers, may mutually agree. The Closing shall be held at such location as may be mutually agreed upon by the Parties.

1.3 Plan of Merger.

This Agreement shall constitute a Plan of Merger ("Plan of Merger") as required by the laws of the State of Florida and shall be on file at SBG's principal place of business located at 1189 Hypoluxo Road, Lantana, Florida. A copy of this Agreement will be furnished by SBG, on request and without cost, to the shareholders of SBG or Interim, as provided under the laws of the State of Florida.

1.4 Effective Time.

The Merger and other transactions contemplated by this Agreement shall become effective on the date and at the time the Articles of Merger ("Articles of Merger") and the Plan of Merger reflecting the Merger shall become effective with the Secretary of State of the State of Florida (the "Effective Time"). Subject to the terms and conditions hereof, unless otherwise mutually agreed upon in writing by the authorized officers of each Party, the Parties shall use their reasonable efforts to cause the Effective Time to occur on the first business day following the last to occur of (i) the effective date (including expiration of any applicable waiting period) of the last required Consent of any Regulatory Authority having authority over and approving or exempting the Merger, and (ii) the date on which the shareholders of SBG approve this Agreement and the transactions contemplated hereby, including the Merger; or such later date within 30 days thereof as may be specified by SBG.

1.5 Restructure of Transaction.

SBG shall, in its reasonable discretion, have the unilateral right to revise the structure of the Merger contemplated by this Agreement for any reason which SBG may deem advisable; *provided, however*, that SBG shall not have the right, without the approval of the board of directors of SBG and, if required by applicable law, the holders of the SBG Common Stock or Interim Common Stock, as applicable, to make any revision to the structure of the Merger which: (i) changes the amount of the consideration which the holders of shares of SBG Common Stock are entitled to receive (determined in the manner provided in Section 3.1 of this Agreement); (ii) would permit SBG to pay the consideration other than by delivery of the Cash Consideration and the Option/Warrant Cash Consideration or SBG Common Stock, as the case may be, to the holders of SBG Common Stock; (iii) would be materially adverse to the interests of the holders of shares of SBG Common Stock; (iv) would materially impede or delay consummation of the Merger; or (v) would change the tax consequences of the Merger to the holders of SBG Common Stock. SBG may exercise this right of revision by giving written notice to Interim in the manner provided in Section 11.8 which notice shall be in the form of an amendment to this Agreement or in the form of an Amended and Restated Agreement and Plan of Merger.

ARTICLE 2 TERMS OF MERGER

2.1 Articles of Incorporation.

At the Effective Time, the Articles of Incorporation of the Surviving Corporation shall be amended in their entirety to become the same as the Articles of Incorporation of Interim, as in effect immediately before the Effective Time, until thereafter amended as provided by law and such Articles of Incorporation.

2.2 Bylaws.

The Bylaws of Interim in effect immediately prior to the Effective Time shall be the Bylaws of the Surviving Corporation after the Effective Time until duly amended or repealed.

2.3 Directors and Officers.

The directors of SBG in office immediately prior to the Effective Time, together with such additional persons as may thereafter be elected, shall serve as the directors of the Surviving Corporation from and after the Effective Time in accordance with the Bylaws of the Surviving Corporation. The officers of SBG in office immediately prior to the Effective Time, together with such additional persons as may thereafter be elected, shall serve as the officers of the Surviving Corporation from and after the Effective Time in accordance with the Bylaws of the Surviving Corporation.

ARTICLE 3 MANNER OF CONVERTING SHARES

3.1 Conversion of Shares.

Subject to the provisions of this Article 3, at the Effective Time, by virtue of the Merger and without any action on the part of Interim, SBG or the shareholders of either of the foregoing, the shares of the constituent corporations shall be converted as follows:

(a) For Non-Qualified Holders (as defined Section 11.1 herein) of SBG, each share of SBG Common Stock issued and outstanding immediately prior to the Effective Time, but excluding shares held by Non-Qualifying Holders who perfect their statutory dissenters rights as provided in Section 3.2, shall cease to be outstanding and shall be converted into and exchanged for the right to receive from the Surviving Corporation cash consideration in the amount of \$122.00 (less any required withholding of taxes, the "Cash Consideration").

(b) For Qualified Holders (as defined in Section 11.1 herein) of SBG, each share of SBG Common Stock issued and outstanding immediately prior to the Effective Time shall cease to be outstanding and shall be converted into and exchanged for the right to receive from the Surviving Corporation the same number of newly issued shares of Surviving Corporation Common Stock.

(c) Each share of Interim Common Stock issued and outstanding immediately prior to the Effective Time shall, by virtue of the Merger, and without any further action on the part of the holder thereof, be canceled and shall cease to be outstanding.

3.2 Dissenting Shareholders of SBG.

Any holder of shares of SBG Common Stock who perfects such holder's dissenters' rights in accordance with and as contemplated by Section 607.1301 et seq. of the FBCA shall be entitled to receive from the Surviving Corporation the value of such shares in cash as determined pursuant to such provisions of law; provided, that no such payment shall be made to any dissenting shareholder unless and until such dissenting shareholder has complied with the applicable provisions of the FBCA and surrendered to the Surviving Corporation the certificate or certificates representing the shares for which payment is being made. In the event that after the Effective Time a dissenting shareholder of SBG fails to perfect, or effectively withdraws or loses, such holder's right to appraisal of and payment for such holder's shares, the Surviving Corporation shall issue and deliver the consideration to which such holder of shares of SBG Common Stock is entitled under this Article 3 (without interest) upon surrender by such holder of the certificate or certificates representing the shares of SBG Common Stock held by such holder.

3.3 Treatment of SBG Option and Warrant Holders.

At the Effective Time:

(a) all outstanding options and warrants for Sterling common stock held by Non-Qualified Holders shall be converted into the right to receive the difference between the exercise price for such Sterling warrant or option and \$122.00 (the "Option/Warrant Cash Consideration")

(b) all outstanding options and warrants for Sterling common stock held by Qualifying Holders shall be converted into outstanding warrants and options for Surviving Corporation common stock.

ARTICLE 4 EXCHANGE OF SHARES

4.1 Exchange Procedures.

(a) Promptly after the Effective Time, the Surviving Corporation shall mail to each holder of record of a certificate or certificates which represented shares of SBG Common Stock immediately prior to the Effective Time (the "Certificates") appropriate transmittal materials and instructions (which shall specify that delivery shall be effected, and risk of loss and title to such Certificates shall pass, only upon proper delivery of such Certificates to the Surviving Corporation). The Certificate or Certificates of SBG Common Stock so delivered shall be duly endorsed as the Surviving Corporation may require. In the event of a transfer of ownership of shares of SBG Common Stock represented by Certificates that is not registered in the transfer records of SBG, the consideration provided in Section 3.1 may be issued to a transferee if the Certificates representing such shares are delivered to the Surviving Corporation, accompanied by all documents required to evidence such transfer and by evidence satisfactory to the Surviving Corporation that any applicable stock transfer taxes have been paid. If any Certificate shall have been lost, stolen, mislaid or destroyed, upon receipt of (i) an affidavit of that fact from the holder claiming such Certificate to be lost, mislaid, stolen or destroyed, (ii) such bond, security or indemnity as the Surviving Corporation may reasonably require and (iii) any other documents necessary to evidence and effect the bona fide exchange thereof, the Surviving Corporation shall issue to such holder the consideration into which the shares represented by such lost, stolen, mislaid or destroyed Certificate shall have been converted. The Surviving Corporation may establish such other reasonable and customary rules and procedures in connection with its duties as it may deem appropriate. The Surviving Corporation shall pay all charges and expenses in connection with the distribution of the consideration provided in Section 3.1.

(b) After the Effective Time, each holder of shares of SBG Common Stock (other than shares of SBG Common Stock as to which statutory dissenters' rights have been perfected as provided in Section 3.2) issued and outstanding at the Effective Time shall surrender the Certificate or Certificates representing such shares to the Surviving Corporation and shall promptly upon surrender thereof receive in exchange therefor the consideration provided in Section 3.1. The Surviving Corporation shall not be obligated to deliver the consideration to which any former holder of SBG Common Stock is entitled as a result of the Merger until such holder surrenders such holder's Certificate or Certificates for exchange as provided in this Section 4.1. Until so surrendered, each outstanding Certificate or Certificates of SBG Common Stock shall be deemed to represent the consideration into which the Certificates of SBG Common Stock represented thereby prior to the Effective Time shall have been converted.

(c) The Surviving Corporation shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of shares of SBG Common Stock such amounts, if any, as it is required to deduct and withhold with respect to the making of such payment under

the Internal Revenue Code or any provision of state, local or foreign tax law. To the extent that any amounts are so withheld by the Surviving Corporation, as the case may be, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of the shares of SBG Common Stock in respect of which such deduction and withholding was made by the Surviving Corporation.

(d) Any other provision of this Agreement notwithstanding, the Surviving Corporation shall not be liable to a holder of SBG Common Stock for any amounts paid or property delivered in good faith to a public official pursuant to any applicable abandoned property, escheat or similar law.

4.2 Rights of Former SBG and Interim Shareholders.

At the Effective Time, the stock transfer books of SBG and Interim shall be closed as to holders of SBG Common Stock and Interim Common Stock immediately prior to the Effective Time and no transfer of SBG Common Stock or Interim Common Stock by any such holder shall thereafter be made or recognized. Until surrendered for exchange in accordance with the provisions of Section 4.1, each Certificate theretofore representing shares of SBG Common Stock or Interim Common Stock (other than shares of SBG Common Stock as to which statutory dissenters' rights have been perfected as provided in Section 3.2) shall from and after the Effective Time represent for all purposes only the right to receive the consideration provided in Section 3.1 in exchange therefor, subject, however, to the Surviving Corporation's obligation to pay any dividends or make any other distributions with a record date prior to the Effective Time which have been declared or made by SBG or Interim in respect of such shares of SBG Common Stock or Interim Common Stock in accordance with the terms of this Agreement and which remain unpaid at the Effective Time.

4.3 Legending of Securities.

The shares of Surviving Corporation common stock to be issued pursuant to Section 3.1(a) will be issued in a transaction exempt from registration under the Securities Act by reason of Section 4(2) thereof or Regulation D promulgated thereunder. The Surviving Corporation is relying on the representations of SBG and its stockholders with respect to such exemption. Each certificate for Surviving Corporation common stock to be issued in connection with this Agreement shall bear the following legend (with the appropriate date inserted):

THE SHARES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND NONE OF THESE SHARES NOR ANY INTEREST THEREIN MAY BE SOLD, DONATED, PLEDGED, HYPOTHECATED, DISPOSED OF OR TRANSFERRED IN ANY WAY, NOR WILL ANY ASSIGNEE OR ENDORSEE HEREOF BE RECOGNIZED AS AN OWNER HEREOF BY THE ISSUER FOR ANY PURPOSE, UNLESS A REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY APPLICABLE STATE SECURITIES LAWS WITH RESPECT TO SUCH SHARES SHALL THEN BE IN EFFECT OR UNLESS THE AVAILABILITY OF AN EXEMPTION FROM REGISTRATION WITH RESPECT TO ANY PROPOSED TRANSFER OR DISPOSITION OF SUCH

SHARES SHALL BE ESTABLISHED BY THE DELIVERY OF AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER.

IN ADDITION, THE SHARES EVIDENCED BY THIS CERTIFICATE ARE SUBJECT TO THE RESTRICTIONS ON TRANSFERABILITY CONTAINED IN A SHAREHOLDERS' AGREEMENT DATED AS OF _____, 2003, AMONG THE ISSUER AND THE HOLDERS OF ITS COMMON STOCK, A COPY OF WHICH IS ON FILE IN THE ISSUER'S PRINCIPAL OFFICE. NO TRANSFER OR ENCUMBRANCE OF THE SHARES REPRESENTED HEREBY MAY BE MADE EXCEPT IN ACCORDANCE WITH SUCH AGREEMENT.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF SBG

SBG hereby represents, warrants and covenants to Interim as follows:

5.1 Organization, Standing, and Power.

SBG is a corporation duly organized, validly existing, and in good standing under the laws of the State of Florida, and has the corporate power and authority to carry on its business as now conducted and to own, lease and operate its material assets. SBG is duly qualified or licensed to transact business as a foreign corporation in good standing in the States of the United States and foreign jurisdictions where the character of its assets or the nature or conduct of its business requires it to be so qualified or licensed, except for such jurisdictions in which the failure to be so qualified or licensed is not reasonably likely to have, individually or in the aggregate, a SBG Material Adverse Effect. SBG has not engaged in any business activity other than that directly related to the negotiation, execution and consummation of this Agreement.

5.2 Authority of SBG; No Breach By Agreement.

(a) SBG has the corporate power and authority necessary to execute, deliver, and, other than with respect to the Merger, perform this Agreement, and with respect to the Merger, upon the approval of this Agreement and the Merger by SBG's stockholders in accordance with this Agreement and Florida law, to perform its obligations under this Agreement and to consummate the transactions contemplated hereby. The execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated herein, including the Merger, have been duly and validly authorized by all necessary corporate action in respect thereof on the part of SBG, subject to the approval of this Agreement by the holders of two-thirds of the outstanding shares of SBG Common Stock as contemplated by Section 8.1, which is the only stockholder vote or consent required for approval of this Agreement and consummation of the Merger by SBG. Subject to such requisite stockholder approval, this Agreement represents a legal, valid, and binding obligation of SBG, enforceable against SBG in accordance with its terms (except in all cases 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).

(b) Neither the execution and delivery of this Agreement by SBG, nor the consummation by SBG of the transactions contemplated hereby, nor compliance by SBG with any of the provisions hereof, will

(i) conflict with or result in a breach of any provision of SBG's Articles of Incorporation or Bylaws or any resolution adopted by the board of directors or the stockholders of SBG, or (ii) constitute or result in a Default under, or require any Consent pursuant to, or result in the creation of any Lien on any asset of SBG under, any contract or permit of SBG, where such Default or Lien, or any failure to obtain such Consent, is reasonably likely to have, individually or in the aggregate, a SBG Material Adverse Effect, or, (iii) subject to receipt of the requisite Consents referred to in Sections 9.1(b) and 9.1(c), constitute or result in a Default under, or require any Consent pursuant to, any law or order applicable to SBG or any of its material assets (including SBG becoming subject to or liable for the payment of any tax or any of the assets owned by SBG being reassessed or revalued by any Regulatory Authority).

(c) Other than in connection or compliance with the provisions of the Securities Laws, applicable state corporate and securities laws, and other than Consents required from Regulatory Authorities, and other than notices to or filings with the Internal Revenue Service and other than Consents, filings, or notifications which, if not obtained or made, are not reasonably likely to have, individually or in the aggregate, a SBG Material Adverse Effect, no notice to, filing with, or Consent of, any public body or authority is necessary for the consummation by SBG of the Merger and the other transactions contemplated in this Agreement.

ARTICLE 6 REPRESENTATIONS AND WARRANTIES OF INTERIM

Interim hereby represents and warrants to SBG as follows:

6.1 Organization, Standing, and Power.

Interim is a corporation duly organized, validly existing, and in good standing under the laws of the State of Florida, and has the corporate power and authority to carry on its business as now conducted and to own, lease and operate its material assets. Interim is duly qualified or licensed to transact business as a foreign corporation in good standing in the States of the United States and foreign jurisdictions where the character of its assets or the nature or conduct of its business requires it to be so qualified or licensed, except for such jurisdictions in which the failure to be so qualified or licensed is not reasonably likely to have, individually or in the aggregate, a Interim Material Adverse Effect.

6.2 Authority; No Breach By Agreement.

(a) Interim has the corporate power and authority necessary to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein, including the Merger, have been duly and validly authorized by all necessary corporate action in respect thereof on the part of Interim, subject to the approval of this Agreement by the holders of a majority of the outstanding shares of Interim Common Stock as contemplated by Section 8.1, which is the only shareholder vote required for approval of this Agreement and consummation of the Merger by Interim. This Agreement represents a legal, valid, and binding obligation of Interim, enforceable against Interim in accordance with its terms (except in all cases 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).

(b) Neither the execution and delivery of this Agreement by Interim, nor the consummation by Interim of the transactions contemplated hereby, nor compliance by Interim with any of the provisions

hereof, will (i) conflict with or result in a breach of any provision of Interim's Articles of Incorporation or Bylaws, or (ii) constitute or result in a Default under, or require any Consent pursuant to, or result in the creation of any Lien on any asset of any Interim Entity under, any contract or permit of any Interim Entity, where such Default or Lien, or any failure to obtain such Consent, is reasonably likely to have, individually or in the aggregate, a Interim Material Adverse Effect, or (iii) subject to receipt of the requisite Consents referred to in Sections 9.1(b) and 9.1(c), constitute or result in a Default under, or require any Consent pursuant to, any law or order applicable to any Interim Entity or any of their respective material assets (including any Interim Entity becoming subject to or liable for the payment of any tax or any of the assets owned by any Interim Entity being reassessed or revalued by any Regulatory Authority).

(c) Other than in connection or compliance with the provisions of the Securities Laws, applicable state corporate and securities laws, and applicable rules of National Association of Securities Dealers, Inc., and other than Consents required from Regulatory Authorities, and other than notices to or filings with the Internal Revenue Service or the Pension Benefit Guaranty Corporation with respect to any employee benefit plans, and other than Consents, filings, or notifications which, if not obtained or made, are not reasonably likely to have, individually or in the aggregate, a Interim Material Adverse Effect, no notice to, filing with, or Consent of, any public body or authority is necessary for the consummation by Interim of the Merger and the other transactions contemplated in this Agreement.

ARTICLE 7 CONDUCT OF BUSINESS PENDING CONSUMMATION

7.1 Covenants of SBG.

(a) From the date of this Agreement until the earlier of the Effective Time or the termination of this Agreement, unless the prior written consent of Interim shall have been obtained, and except as otherwise expressly contemplated herein, SBG covenants and agrees that (i) it will use its reasonable efforts to preserve intact its business organization and assets and maintain its rights and franchises, (ii) it shall take no action which would (A) materially adversely affect the ability of any Party to obtain any Consents required for the transactions contemplated hereby without imposition of a condition or restriction of the type referred to in the last sentences of Section 9.1(b) or 9.1(c), or (B) materially adversely affect the ability of any Party to perform its covenants and agreements under this Agreement, and (iii) it shall engage only in activities that are directly and exclusively related to this Agreement and SBG's performance hereunder.

7.2 Covenants of Interim.

From the date of this Agreement until the earlier of the Effective Time or the termination of this Agreement, unless the prior written consent of SBG shall have been obtained, and except as otherwise expressly contemplated herein, Interim covenants and agrees that it (i) will operate its business only in the usual, regular and ordinary course, (ii) will use its reasonable efforts to preserve intact its business organization and assets and maintain its rights and franchises, and (iii) shall take no action which would (A) materially adversely affect the ability of any Party to obtain any Consents required for the transactions contemplated hereby without imposition of a condition or restriction of the type referred to in the last sentences of Section 9.1(b) or 9.1(c), or (B) materially adversely affect the ability of any Party to perform its covenants and agreements under this Agreement; provided, that the foregoing shall not prevent any Interim Entity from acquiring any assets or other businesses or from discontinuing or disposing of any of its assets or business if such action is, in the judgment of Interim, desirable in the conduct of the business of Interim and its Subsidiaries.

ARTICLE 8 ADDITIONAL AGREEMENTS

8.1 SBG Proxy Statement; Shareholder Approval.

(a) SBG shall duly call, give notice of, convene and hold the SBG Shareholders' Meeting, to be held as soon as reasonably practicable after execution of this Agreement for the purpose of voting upon approval of this Agreement and the transactions contemplated hereby, including the Merger ("SBG Shareholder Approval"), and such other matters as it deems appropriate and shall, through its Board of Directors use its reasonable efforts to obtain the SBG Shareholder Approval. In connection with the SBG Shareholders' Meeting, SBG shall prepare the SBG Proxy Statement and mail the SBG Proxy Statement to its shareholders, and Interim shall furnish to SBG all information concerning Interim and its Affiliates that SBG may reasonably request in connection with the SBG Proxy Statement. Interim and SBG shall timely and properly make all necessary filings with respect to the Merger under the Securities Laws.

(b) Interim shall, as soon as reasonably practicable after the execution of this Agreement ("Interim Shareholder Approval"), obtain the unanimous written consent of the holders of Interim Common Stock to approve this Agreement and the transactions contemplated hereby, including the Merger.

8.2 Consents of Regulatory Authorities.

The Parties hereto shall cooperate with each other and use their reasonable efforts to promptly prepare and file all necessary documentation, to effect all applications, notices, petitions and filings and to obtain as promptly as practicable all Consents of all Regulatory Authorities and other Persons which are necessary or advisable to consummate the transactions contemplated by this Agreement (including the Merger). The Parties agree that they will consult with each other with respect to the obtaining of all Consents of all Regulatory Authorities and other Persons necessary or advisable to consummate the transactions contemplated by this Agreement and each Party will keep the other apprised of the status of matters relating to contemplation of the transactions contemplated herein. Each Party also shall promptly advise the other upon receiving any communication from any Regulatory Authority whose Consent is required for consummation of the transactions contemplated by this Agreement which causes such Party to believe that there is a reasonable likelihood that any requisite Consent will not be obtained or that the receipt of any such Consent will be materially delayed.

8.3 Filings with State Offices.

Upon the terms and subject to the conditions of this Agreement, Interim and SBG shall file the Articles of Merger and Plan of Merger with the Secretary of State of the State of Florida in connection with the Closing.

8.4 Agreement as to Efforts to Consummate.

Subject to the terms and conditions of this Agreement, each Party agrees to use, and to cause its Subsidiaries, if any, to use, its reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper, or advisable under applicable laws to consummate and make effective, as soon as reasonably practicable after the date of this Agreement, the transactions contemplated by this Agreement, including using its reasonable efforts to lift or rescind any order adversely affecting its ability to consummate the transactions contemplated herein and to cause to be satisfied the conditions referred to in Article 9; provided, that nothing herein shall preclude either Party from exercising its rights under this Agreement.

8.5 Investigation.

Each Party agrees to give the other Party notice as soon as practicable after any determination by it of any fact or occurrence relating to the other Party which it has discovered through the course of its investigation and which represents, or is reasonably likely to represent, either a material breach of any representation, warranty, covenant or agreement of the other Party or which has had or is reasonably likely to have a SBG Material Adverse Effect or a Interim Material Adverse Effect, as applicable.

8.6 Indemnification.

(a) SBG shall indemnify, defend and hold harmless the present and former directors, officers, and agents of SBG and Interim (each, an "Indemnified Party") against all liabilities arising out of actions or omissions arising out of the Indemnified Party's service or services as directors, officers, or agents of SBG or Interim occurring at or prior to the Effective Time (including the transactions contemplated by this Agreement) to the fullest extent permitted under Florida law and by SBG's Articles of Incorporation and Bylaws as in effect on the date hereof, including provisions relating to advances of expenses incurred in the defense of any Litigation and whether or not SBG or Interim is insured against any such matter. Without limiting the foregoing, in any case in which approval by the Surviving Corporation is required to effectuate any indemnification, the Surviving Corporation shall direct, at the election of the Indemnified Party, that the determination of any such approval shall be made by independent counsel mutually agreed upon between Interim and the Indemnified Party.

(b) Any Indemnified Party wishing to claim indemnification under paragraph (a) of this Section 8.6, upon learning of any such liability or Litigation, shall promptly notify the Surviving Corporation thereof. In the event of any such Litigation (whether arising before or after the Effective Time), (i) the Surviving Corporation shall have the right to assume the defense thereof and the Surviving Corporation shall not be liable to such Indemnified Parties for any legal expenses of other counsel or any other expenses subsequently incurred by such Indemnified Parties in connection with the defense thereof, except that if the Surviving Corporation elects not to assume such defense or if counsel for the Indemnified Parties advises that there are substantive issues which raise conflicts of interest between the Surviving Corporation and the Indemnified Parties, the Indemnified Parties may retain counsel satisfactory to them, and the Surviving Corporation shall pay all reasonable fees and expenses of such counsel for the Indemnified Parties promptly as statements therefor are received; provided, that the Surviving Corporation shall be obligated pursuant to this paragraph (b) to pay for only one firm of counsel for all Indemnified Parties in any jurisdiction; (ii) the Indemnified Parties will cooperate in the defense of any such Litigation; and (iii) the Surviving Corporation shall not be liable for any settlement effected without its prior written consent; and provided further that the Surviving Corporation shall not have any obligation hereunder to any Indemnified Party when and if a court of competent jurisdiction shall determine, and such determination shall have become final, that the indemnification of such Indemnified Party in the manner contemplated hereby is prohibited by applicable law.

(c) If the Surviving Corporation or any successors or assigns shall consolidate with or merge into any other Person and shall not be the continuing or surviving Person of such consolidation or merger or shall transfer all or substantially all of its assets to any Person, then and in each case, proper provision shall be made so that the successors and assigns of the Surviving Corporation shall assume the obligations set forth in this Section 8.6.

(d) The provisions of this Section 8.6 are intended to be for the benefit of and shall be enforceable by, each Indemnified Party and their respective heirs and representatives.

ARTICLE 9 CONDITIONS PRECEDENT TO OBLIGATIONS TO CONSUMMATE

9.1 Conditions to Obligations of Each Party.

The respective obligations of each Party to perform this Agreement and consummate the Merger and the other transactions contemplated hereby are subject to the satisfaction of the following conditions, unless waived by both Parties pursuant to Section 11.6:

(a) Shareholder Approval. The shareholders of both SBG and Interim shall have approved this Agreement and the consummation of the transactions contemplated hereby, including the Merger, as and to the extent required by law and by the provisions of any governing instruments. In addition, the holders of SBG Common Stock shall have approved this Agreement and the consummation of the transactions contemplated hereby, including the Merger, in accordance with Section 607.1103 of the FBCA.

(b) Regulatory Approvals. All Consents of, filings and registrations with, and notifications to, all Regulatory Authorities required for consummation of the Merger shall have been obtained or made and shall be in full force and effect and all waiting periods required by law shall have expired. No Consent obtained from any Regulatory Authority which is necessary to consummate the transactions contemplated hereby shall be conditioned or restricted in a manner (including requirements relating to the raising of additional capital or the disposition of assets) which in the reasonable judgment of the board of directors of Interim would so materially adversely impact the economic or business benefits of the transactions contemplated by this Agreement that, had such condition or requirement been known, such Party would not, in its reasonable judgment, have entered into this Agreement.

(c) Consents and Approvals. Each Party shall have obtained any and all Consents required for consummation of the Merger (other than those referred to in Section 9.1(b)) or for the preventing of any Default under any contract or permit of such Party which, if not obtained or made, is reasonably likely to have, individually or in the aggregate, a SBG Material Adverse Effect or a Interim Material Adverse Effect, as applicable. No Consent so obtained which is necessary to consummate the transactions contemplated hereby shall be conditioned or restricted in a manner which in the reasonable judgment of the board of directors of Interim would so materially adversely impact the economic or business benefits of the transactions contemplated by this Agreement that, had such condition or requirement been known, such Party would not, in its reasonable judgment, have entered into this Agreement.

(d) Legal Proceedings. No court or governmental or Regulatory Authority of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any law or order (whether temporary, preliminary or permanent) or taken any other action which prohibits, restricts or makes illegal consummation of the transactions contemplated by this Agreement.

9.2 Conditions to Obligations of Interim.

The obligations of Interim to perform this Agreement and consummate the Merger and the other transactions contemplated hereby are subject to the satisfaction of the following conditions, unless waived by Interim pursuant to Section 11.6(a):

(a) Representations and Warranties. For purposes of this Section 9.2(a), the accuracy of the representations and warranties of SBG set forth in this Agreement shall be assessed as of the date of this Agreement and as of the Closing Date with the same effect as though all such representations and warranties had been made on and as of the Closing Date (provided that representations and warranties which are confined to a specified date shall speak only as of such date). There shall not exist inaccuracies in the representations and warranties of SBG set forth in this Agreement such that the aggregate effect of

such inaccuracies has, or is reasonably likely to have, a Interim Material Adverse Effect. For purposes of the immediately preceding sentence only, those representations and warranties which are qualified by references to "material" or "Material Adverse Effect" or variations thereof, or to the "knowledge" of any Person or to matter being "known" by any Person shall be deemed not to include such qualifications.

(b) Performance of Agreements and Covenants. Each and all of the agreements and covenants of SBG to be performed and complied with pursuant to this Agreement and the other agreements contemplated hereby prior to the Closing Date shall have been duly performed and complied with in all material respects.

(c) Certificates. SBG shall have delivered to Interim (i) a certificate, dated as of the Closing Date and signed on its behalf by its chief executive officer and its chief financial officer, to the effect that the conditions set forth in Section 9.1 as applicable to SBG and in Sections 9.2(a) and 9.2(b) have been satisfied, and (ii) certified copies of resolutions duly adopted by SBG's Board of Directors and stockholders evidencing the taking of all corporate action necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including the Merger, all in such reasonable detail as Interim and its counsel shall request.

(d) Investor Suitability Questionnaires. Interim shall have received from each Person who will be a stockholder of SBG at the Effective Time an executed Investor Suitability Questionnaire.

9.3 Conditions to Obligations of SBG.

The obligations of SBG to perform this Agreement and consummate the Merger and the other transactions contemplated hereby are subject to the satisfaction of the following conditions, unless waived by SBG pursuant to Section 11.6(b):

(a) Representations and Warranties. For purposes of this Section 9.3(a), the accuracy of the representations and warranties of Interim set forth in this Agreement shall be assessed as of the date of this Agreement and as of the Closing Date with the same effect as though all such representations and warranties had been made on and as of the Closing Date (provided that representations and warranties which are confined to a specified date shall speak only as of such date). There shall not exist inaccuracies in the representations and warranties of Interim set forth in this Agreement such that the aggregate effect of such inaccuracies has, or is reasonably likely to have, a Interim Material Adverse Effect. For purposes of the immediately preceding sentence only, those representations and warranties which are qualified by references to "material" or "Material Adverse Effect" or variations thereof, or to the "knowledge" of any Person or to a matter being "known" by any Person shall be deemed not to include such qualifications.

(b) Performance of Agreements and Covenants. Each and all of the agreements and covenants of Interim to be performed and complied with pursuant to this Agreement and the other agreements contemplated hereby prior to the Closing Date shall have been duly performed and complied with in all material respects.

(c) Certificates. Interim shall have delivered to SBG (i) a certificate, dated as of the Closing Date and signed on its behalf by its chief executive officer and its chief financial officer, to the effect that the conditions set forth in Section 9.1 as applicable to Interim and in Sections 9.3(a) and 9.3(b) have been satisfied, and (ii) certified copies of resolutions duly adopted by Interim's Board of Directors and shareholders evidencing the taking of all corporate action necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including the Merger, all in such reasonable detail as SBG and its counsel shall request.

ARTICLE 10 TERMINATION

10.1 Termination.

Notwithstanding any other provision of this Agreement, and notwithstanding the approval of this Agreement by the shareholders of SBG and Interim, this Agreement may be terminated and the Merger abandoned at any time prior to the Effective Time:

(a) By the board of directors of either SBG or Interim at any time; or

(b) By mutual written agreement of Interim and SBG; or

(c) By either Party (provided that the terminating Party is not then in material breach of any representation or warranty (under the applicable standard set forth in Section 9.2(a) in the case of SBG and Section 9.3(a) in the case of Interim), covenant, or other agreement contained in this Agreement), in the event of a breach by the other Party of any representation or warranty contained in this Agreement which cannot be or has not been cured within 30 days after the giving of written notice to the breaching Party of such breach and which breach is reasonably likely, in the opinion of the non-breaching Party, to have, individually or in the aggregate, a SBG Material Adverse Effect or a Interim Material Adverse Effect, as applicable, on the breaching Party and which breach is reasonably likely, in the opinion of the non-breaching Party, to permit such Party to refuse to consummate the transactions contemplated by this Agreement pursuant to the applicable standard set forth in Section 9.2 or 9.3, as applicable; or

(d) By either Party (provided that the terminating Party is not then in material breach of any representation or warranty (under the applicable standard set forth in Section 9.2(a) in the case of SBG and Section 9.3(a) in the case of Interim), covenant, or other agreement contained in this Agreement), in the event of a material breach by the other Party of any covenant or agreement contained in this Agreement which cannot be or has not been cured within 30 days after the giving of written notice to the breaching Party of such breach; or

(e) By either Party (provided that the terminating Party is not then in material breach of any representation or warranty (under the applicable standard set forth in Section 9.2(a) in the case of SBG and Section 9.3(a) in the case of Interim), covenant, or other agreement contained in this Agreement), in the event (i) any Consent of any Regulatory Authority required for consummation of the Merger and the other transactions contemplated hereby shall have been denied by final nonappealable action of such authority or if any action taken by such authority is not appealed within the time limit for appeal, (ii) any law or order permanently restraining, enjoining or otherwise prohibiting the consummation of the Merger shall have become final and nonappealable, or (iii) the shareholders of either Interim or SBG fail to vote on or give consent to their approval of the matters relating to this Agreement and the transactions contemplated hereby where such matters were presented to such shareholders for approval and voted or acted upon; or

(f) By either Party, in the event that the Merger shall not have been consummated by December 31, 2003, if the failure to consummate the transactions contemplated hereby on or before such date is not caused by any breach of this Agreement by the Party electing to terminate pursuant to this Section 10.1(f); or

10.2 Effect of Termination.

In the event of the termination of this Agreement and the abandonment of the Merger pursuant to Section 10.1, this Agreement shall become void and have no effect, except that (i) the provisions of this

Section 10.2, 10.3 and Article 11, shall survive any such termination and abandonment, and (ii) no such termination shall relieve the breaching Party from liability resulting from any willful breach by that Party of a representation, warranty, covenant or agreement contained in this Agreement.

10.3 Non-Survival of Representations and Covenants.

The respective representations, warranties, obligations, covenants, and agreements of the Parties shall not survive the Effective Time, except for those covenants and agreements which by their terms apply in whole or in part after the Effective Time.

ARTICLE 11 MISCELLANEOUS

11.1 Definitions.

(a) Except as otherwise provided herein, the capitalized terms set forth below shall have the following meanings:

"Affiliate" of a Person means: (i) any other Person directly, or indirectly through one or more intermediaries, controlling, controlled by or under common control with such Person; (ii) any officer, director, partner, employer, or direct or indirect beneficial owner of any 10% or greater equity or voting interest of such Person; or (iii) any other Person for which a Person described in clause (ii) acts in any such capacity.

"Closing Date" means the date on which the Closing occurs.

"Consent" means any consent, approval, authorization, clearance, exemption, waiver, or similar affirmation by any Person pursuant to any contract, law, order, or permit.

"Default" means (i) any breach or violation of, default under, contravention of, or conflict with, any contract, law, order, or permit, (ii) any occurrence of any event that with the passage of time or the giving of notice or both would constitute a breach or violation of, default under, contravention of, or conflict with, any contract, law, order, or permit, or (iii) any occurrence of any event that with or without the passage of time or the giving of notice would give rise to a right of any Person to exercise any remedy or obtain any relief under, terminate or revoke, suspend, cancel, or modify or change the current terms of, or renegotiate, or to accelerate the maturity or performance of, or to increase or impose any liability under, any contract, law, order, or permit, where, in any such event, such Default is reasonably likely to have, individually or in the aggregate, a SBG Material Adverse Effect or a Interim Material Adverse Effect, as applicable.

"Equity Rights" means all arrangements, calls, commitments, contracts, options, rights to subscribe to, scrip, understandings, warrants, or other binding obligations of any character whatsoever relating to, or securities or rights convertible into or exchangeable for, shares of the capital stock of a Person or by which a Person is or may be bound to issue additional shares of its capital stock or other Equity Rights.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"GAAP" means U.S. generally accepted accounting principles, consistently applied during the periods involved.

"Interim Common Stock" means the common stock, \$0.01 par value per share, of Interim.

"Interim Entities" means, collectively, Interim and all Interim Subsidiaries.

"Interim Material Adverse Effect" means an event, change or occurrence which, individually or together with any other event, change or occurrence, has a material adverse impact on (i) the financial position, business, or results of operations of Interim and its Subsidiaries, taken as a whole, or (ii) the ability of Interim to perform its obligations under this Agreement or to consummate the Merger or the other transactions contemplated by this Agreement, provided that **"Interim 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, (B) changes in GAAP or regulatory accounting principles generally applicable to banks and their holding companies, (C) actions and omissions of Interim (or any of its Subsidiaries) taken with the prior informed written Consent of SBG in contemplation of the transactions contemplated hereby, (D) the direct effects of compliance with this Agreement on the operating performance of Interim, including expenses incurred by Interim in consummating the transactions contemplated by this Agreement.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

"Lien" means any conditional sale agreement, default of title, easement, encroachment, encumbrance, hypothecation, infringement, lien, mortgage, pledge, reservation, restriction, security interest, title retention or other security arrangement, or any adverse right or interest, charge, or claim of any nature whatsoever of, on, or with respect to any property or property interest, other than (i) Liens for current property taxes not yet due and payable, (ii) for depository institution Subsidiaries of a Party, pledges to secure deposits and other Liens incurred in the ordinary course of the banking business, and (iii) Liens which do not materially impair the use of or title to the assets subject to such Lien.

"Litigation" means any action, arbitration, cause of action, lawsuit, claim, complaint, criminal prosecution, governmental or other examination or investigation, audit (other than regular audits of financial statements by outside auditors), compliance review, inspection, hearing, administrative or other proceeding relating to or affecting a Party, its business, its records, its policies, its practices, its compliance with law, its actions, its assets (including contracts related to it), or the transactions contemplated by this Agreement, but shall not include regular, periodic examinations of depository institutions and their Affiliates by Regulatory Authorities.

"Material" or **"material"** for purposes of this Agreement shall be determined in light of the facts and circumstances of the matter in question; provided that any specific monetary amount stated in this Agreement shall determine materiality in that instance.

"Non-Qualified Holder" means a current holder of SBG common stock who will not become a Qualified Holder.

"Party" means either SBG or Interim, and **"Parties"** means both SBG and Interim.

"Person" means a natural person or any legal, commercial or governmental entity, such as, but not limited to, a corporation, general partnership, joint venture, limited partnership, limited

liability company, limited liability partnership, trust, business association, group acting in concert, or any person acting in a representative capacity.

"Qualified Holder" means a current shareholder of Sterling who (1) will qualify as a shareholder of an S corporation under the Code, (2) signs the Shareholders Agreement, and (3) signs SBG's Form 2553 Election for a Small Business Corporation.

"Regulatory Authorities" means, collectively, the SEC, the National Association of Securities Dealers, Inc., the Board of the Governors of the Federal Reserve System, the Office of Thrift Supervision (including its predecessor, the Federal Home Loan Bank Board), the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Florida Department of Financial Services, and all other federal, state, county, local or other governmental or regulatory agencies, authorities (including taxing and self-regulatory authorities), instrumentalities, commissions, boards or bodies having jurisdiction over the Parties and their respective Subsidiaries.

"SBG Proxy Statement" means the proxy statement relating to the SBG Shareholders Meeting.

"SBG Shareholders' Meeting" means the meeting of the shareholders of SBG to be held pursuant to Section 8.1, including any adjournment or adjournments thereof.

"SBG Common Stock" means the common stock, \$0.01 par value per share, of SBG.

"SBG Material Adverse Effect" means an event, change or occurrence which, individually or together with any other event, change or occurrence, has a material adverse impact on the ability of SBG to perform its obligations under this Agreement or to consummate the Merger or the other transactions contemplated by this Agreement, provided that "Material Adverse Effect" shall not be deemed to include the impact of (i) changes in banking and similar laws of general applicability or interpretations thereof by courts or governmental authorities, (ii) changes in GAAP or regulatory accounting principles generally applicable to banks and their holding companies, (iii) actions and omissions of SBG taken with the prior informed written Consent of Interim in contemplation of the transactions contemplated hereby, or (iv) the direct effects of compliance with this Agreement on the operating performance of SBG, including expenses incurred by SBG in consummating the transactions contemplated by this Agreement.

"SEC" means the United States Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Securities Laws" means the Securities Act, the Exchange Act, the Investment Company Act of 1940, as amended, the Investment Advisors Act of 1940, as amended, the Trust Indenture Act of 1939, as amended, and the rules and regulations of any Regulatory Authority promulgated thereunder.

"Subsidiaries" means all those corporations, banks, associations, or other business entities of which the entity in question either (i) owns or controls 50% or more of the outstanding equity securities either directly or through an unbroken chain of entities as to each of which 50% or more of the outstanding equity securities is owned directly or indirectly by its parent (provided, there shall not be included any such entity the equity securities of which are owned or controlled in a fiduciary capacity), (ii) in the case of partnerships, serves as a general partner, (iii) in the case

of a limited liability company, serves as a managing member, or (iv) otherwise has the ability to elect a majority of the directors, trustees or managing members thereof.

"Surviving Corporation" means SBG as the surviving corporation resulting from the Merger.

(b) Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed followed by the words "without limitation."

11.2 Expenses.

Each of the Parties shall bear and pay all direct costs and expenses incurred by it or on its behalf in connection with the transactions contemplated hereunder, including filing, registration and application fees, printing fees, and fees and expenses of its own financial or other consultants, investment bankers, accountants, and counsel. Any fees incurred by one Party that are paid by the other Party, shall be reimbursed by the first Party as promptly as practicable after receipt of such notice from the second Party.

11.3 Brokers and Finders.

Each of the Parties represents and warrants that neither it nor any of its officers, directors, employees, or Affiliates has employed any broker or finder or incurred any liability for any financial advisory fees, investment bankers' fees, brokerage fees, commissions, or finders' fees in connection with this Agreement or the transactions contemplated hereby. In the event of a claim by any broker or finder based upon such broker's representing or being retained by or allegedly representing or being retained by SBG or by Interim, each of SBG and Interim, as the case may be, agrees to indemnify and hold the other Party harmless of and from any liability in respect of any such claim.

11.4 Entire Agreement.

Except as otherwise expressly provided herein, this Agreement (including the documents and instruments referred to herein) constitutes the entire agreement between the Parties with respect to the transactions contemplated hereunder and supersedes all prior arrangements or understandings with respect thereto, written or oral. Nothing in this Agreement expressed or implied, is intended to confer upon any Person, other than the Parties or their respective successors, any rights, remedies, obligations, or liabilities under or by reason of this Agreement, other than as provided in Section 8.6.

11.5 Amendments.

To the extent permitted by law, this Agreement may be amended by a subsequent writing signed by each of the Parties upon the approval of each of the Parties, whether before or after shareholder approval of this Agreement has been obtained; provided, that the provisions of this Agreement relating to the manner or basis in which shares of SBG Common Stock will be exchanged for shares of Interim Common Stock, or shares of SBG Common Stock will be exchanged for the Cash Consideration, shall not be amended after the SBG Shareholders' Meeting without the requisite approval of the holders of the issued and outstanding shares of SBG Common Stock entitled to vote thereon.

11.6 Waivers.

(a) Prior to or at the Effective Time, Interim, acting through its board of directors, chief executive officer or other authorized officer, shall have the right to waive any Default in the performance

of any term of this Agreement by SBG, to waive or extend the time for the compliance or fulfillment by SBG of any and all of its obligations under this Agreement, and to waive any or all of the conditions precedent to the obligations of Interim under this Agreement, except any condition which, if not satisfied, would result in the violation of any law. No such waiver shall be effective unless in writing signed by a duly authorized officer of Interim (except that any unfulfilled conditions shall be deemed to have been waived at the Effective Time).

(b) Prior to or at the Effective Time, SBG, acting through its board of directors, chief executive officer or other authorized officer, shall have the right to waive any Default in the performance of any term of this Agreement by Interim, to waive or extend the time for the compliance or fulfillment by Interim of any and all of its obligations under this Agreement, and to waive any or all of the conditions precedent to the obligations of SBG under this Agreement, except any condition which, if not satisfied, would result in the violation of any law. No such waiver shall be effective unless in writing signed by a duly authorized officer of SBG (except that any unfulfilled conditions shall be deemed to have been waived at the Effective Time).

(c) The failure of any Party at any time or times to require performance of any provision hereof shall in no manner affect the right of such Party at a later time to enforce the same or any other provision of this Agreement. No waiver of any condition or of the breach of any term contained in this Agreement in one or more instances shall be deemed to be or construed as a further or continuing waiver of such condition or breach or a waiver of any other condition or of the breach of any other term of this Agreement.

11.7 Assignment.

Except as expressly contemplated hereby, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party hereto (whether by operation of law or otherwise) without the prior written consent of the other Party. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and assigns.

11.8 Notices.

All notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered by hand, by facsimile transmission, by registered or certified mail, postage pre-paid, or by courier or overnight carrier, to the persons at the addresses set forth below (or at such other address as may be provided hereunder), and shall be deemed to have been delivered as of the date so delivered:

SBG:

Sterling BancGroup, Inc.
1189 Hypoluxo Road
Lantana, Florida 33462
Facsimile Number: (561) 968-1220

Attention: George Bavelis

Copy to Counsel:

Alston & Bird LLP
One Atlantic Center
1201 W. Peachtree Street
Atlanta, Georgia 30309
Facsimile Number: (404) 881-4777

Attention: John Douglas

Interim:

SBG Interim, Inc.
1189 Hypoluxo Road
Lantana, Florida 33462

Facsimile Number: (561) 968-1220

Attention: George A. Bavelis

Copy to Counsel:

Aiston & Bird LLP
One Atlantic Center
1201 W. Peachtree Street
Atlanta, Georgia 30309
Facsimile: (404) 881-4777

Attention: John Douglas

11.9 Governing Law.

Regardless of any conflict of law or choice of law principles that might otherwise apply, the Parties agree that this Agreement shall be governed by and construed in all respects in accordance with the laws of the State of Florida. The Parties all expressly agree and acknowledge that the State of Florida has a reasonable relationship to the Parties and/or this Agreement. As to any dispute, claim, or litigation arising out of or relating in any way to this Agreement or the transaction at issue in this Agreement, the Parties hereto hereby agree and consent to be subject to the exclusive jurisdiction of the United States District Court for the Central District of Florida. If jurisdiction is not present in federal court, then the Parties hereby agree and consent to the exclusive jurisdiction of the state courts of Palm Beach County, Florida. Each Party hereto hereby irrevocably waives, to the fullest extent permitted by law, (a) any objection that it may now or hereafter have to laying venue of any suit, action or proceeding brought in such court, (b) any claim that any suit, action or proceeding brought in such court has been brought in an inconvenient forum, (c) any defense that it may now or hereafter have based on lack of personal jurisdiction in such forum, and (d) the right to a jury trial.

11.10 Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

11.11 Captions; Articles and Sections.

The captions contained in this Agreement are for reference purposes only and are not part of this Agreement. Unless otherwise indicated, all references to particular Articles or Sections shall mean and refer to the referenced Articles and Sections of this Agreement.

11.12 Interpretations.

Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against any Party, whether under any rule of construction or otherwise. No Party to this Agreement shall be considered the draftsman. The Parties acknowledge and agree that this Agreement has been reviewed,

negotiated, and accepted by all Parties and their attorneys and shall be construed and interpreted according to the ordinary meaning of the words used so as fairly to accomplish the purposes and intentions of all Parties hereto.

11.13 Enforcement of Agreement.

The Parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement was not performed in accordance with its specific terms or was 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.

11.14 Severability.

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

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on its behalf by its duly authorized officers as of the day and year first above written.

"SBG"

Sterling BancGroup, Inc.

By: _____

Name: George A. Bavelis

Title: Chairman and CEO

"INTERIM"

SBG Interim, Inc.

By: _____

Name: George A. Bavelis

Title: Chairman and CEO

ARTICLES OF AMENDMENT AND RESTATEMENT
TO THE
ARTICLES OF INCORPORATION
OF
STERLING BANCGROUP, INC.

Sterling BancGroup, Inc., a corporation organized and existing under the laws of the State of Florida, hereby certifies as follows:

I.

The name of the corporation is Sterling BancGroup, Inc. (the "Corporation").

II.

The Corporation's Articles of Incorporation are amended and restated in their entirety by the Amended and Restated Articles of Incorporation, attached hereto as Exhibit A, in accordance with Sections 607.1006 and 607.1007 of the Florida Business Corporation Act ("FBCA").

III.

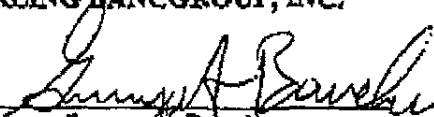
Each amendment to and the restatement of the Corporation's Amended and Restated Articles of Incorporation attached hereto as Exhibit A was adopted by the Corporation's Board of Directors in connection with the merger of SBG Interim, Inc., a Florida corporation, with and into the Corporation. None of the amendments to nor the restatement of the Amended and Restated Articles of Incorporation attached hereto as Exhibit A requires shareholder action or approval under the FBCA.

[Signature on Following Page]

IN WITNESS WHEREOF, Sterling BancGroup, Inc. has caused this Amendment and Restatement to its Articles of Incorporation to be executed by its duly authorized officer as of December 31, 2003.

STERLING BANCGROUP, INC.

By:



Name: George A. Bavelis

Title: Chairman, President and Chief
Executive Officer

01-07-2004 10:44am From-ALSTON and BIRD

404 881 7777

T-777 P.004/015 F-888

Exhibit A

**Amended and Restated Articles of Incorporation
of
Sterling BancGroup, Inc.**

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
STERLING BANCGROUP, INC.**

ARTICLE I - NAME

The name of the Corporation is Sterling BancGroup, Inc. ("Corporation"). The principal place of business of the Corporation shall be 1189 Hypoluxo Rd., Lantana, Florida 33462 or at such other place within the State of Florida as the Board of Directors may designate. The name of the Company's registered agent in the state of Florida is CT Corporation, whose address is 1200 South Pine Island Road, Florida 33324.

ARTICLE II - NATURE OF BUSINESS

The Corporation may engage in or transact any or all lawful activities or business permitted under the laws of the United States and the State of Florida, or any other state, county, territory or nation.

ARTICLE III - CAPITAL STOCK

The total number of shares of capital stock that the Corporation shall have authority to issue is 5,000,000 shares of common stock, par value one cent (\$0.01) per share ("Common Stock"). Each holder of shares of Common Stock shall be entitled to one vote per share.

ARTICLE IV - TERM OF EXISTENCE

This Corporation is to exist perpetually.

ARTICLE V - MANAGEMENT OF THE BUSINESS OF THE COMPANY

Section 1- Authority of the Board. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by the Florida Business Corporation Act (the "FBCA") or by these Articles of Incorporation or the Bylaws of the Corporation, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

Section 2 - Action by Shareholders. Any action required or permitted to be taken by the shareholders of the Corporation must be effected at a duly called Annual or Special Meeting of Shareholders of the Corporation and may not be effected by any consent in writing by such shareholders.

Section 5 - Special Meetings of Shareholders. Special Meetings of shareholders of the Corporation may be called by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption), the Chairman of the Board or the President of the Corporation, or by shareholders holding at least 20% of the outstanding shares of the Corporation.

ARTICLE VI - NUMBER OF DIRECTORS

Section 1 - Number of Directors: The Board of Directors of the Corporation shall be comprised of not less than three (3) nor more than fifteen (15) directors and shall be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the full board as set forth in the Corporation's Bylaws. The Board of Directors is authorized to increase the number of directors by no more than two per year and to immediately appoint persons to fill the new director positions until the next Annual Meeting of Shareholders, at which meeting the new director positions shall be filled by persons elected by the shareholders of the Corporation. However, this paragraph shall not be construed to limit the authority of the shareholders of the Corporation to increase the number of directors in accordance with the Bylaws of the Corporation.

Section 2 - Election and Term: Directors shall be elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present. The term of the initial directors of the Corporation expires at the first shareholders' meeting at which directors are elected. The terms of all other directors expire at the next annual shareholders' meeting following their election.

Section 3 - Vacancies: Newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause may be filled only by a majority vote of the directors then in office, though less than a quorum. Directors so chosen shall hold office for a term expiring at the next Annual Meeting of Shareholders. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Section 4 - Notice: Advance notice of shareholder nominations for the election of directors and of business to be brought by shareholders before any meeting of the shareholders of the Corporation shall be given in the manner provided in the Bylaws of the Corporation.

Section 5 - Removal by Shareholders: Any director, or the entire Board of Directors, may be removed from office at any time by the affirmative vote of the holders of at least 60% of the voting power of all of the then-outstanding shares of common stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE VII - SPECIAL VOTING PROVISIONS FOR AFFILIATED TRANSACTIONS AND BUSINESS COMBINATIONS

VII: *Section 1 - Definitions:* The terms defined below shall apply for purposes of this Article

A. "Affiliated Transaction," when used in reference to the Corporation and any Interested Shareholder (as hereinafter defined), means any of the following situations:

1. any merger or consolidation of the Corporation or any Subsidiary (as hereinafter defined) with (i) any Interested Shareholder or (ii) any other corporation (whether or not itself an Interested Shareholder) which is, or after such merger or consolidation would be, an Affiliate of an Interested Shareholder;

2. any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) of assets of the Corporation or any Subsidiary of the Corporation to or with any Interested Shareholder, or any Affiliate or Associate of any Interested Shareholder:

a. having an aggregate fair market value equal to 5% or more of the aggregate fair market value of all assets, determined on a consolidated basis, of the Corporation; or

b. having an aggregate fair market value equal to 5% or more of the aggregate fair market value of all outstanding shares of the Corporation; or

c. representing 5% or more of the earning power or net income determined on a consolidated basis, of the Corporation.

3. the issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of transactions) of any shares of the Corporation or any Subsidiary to any Interested Shareholder or any Affiliate of any Interested Shareholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value (as hereinafter defined) equaling or exceeding 5% or more of all the outstanding shares of the Corporation and its Subsidiaries, except pursuant to the exercise of warrants or rights to purchase stock offered, or a dividend or distribution paid or made, pro rata to all shareholders of the Corporation;

4. the adoption of any plan or proposal for the liquidation or dissolution of the Corporation proposed by or on behalf of an Interested Shareholder or any Affiliate of any Interested Shareholder;

5. any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving an Interested Shareholder), which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the Corporation or any Subsidiary which is directly or indirectly owned by any Interested Shareholder or any Affiliate of any Interested Shareholder; or

6. any receipt by the Interested Shareholder or any Affiliate or Associate of the Interested Shareholder of the benefit, directly or indirectly (except proportionately as a shareholder of the Corporation), of any loans, advances, guaranties, pledges, or other financial assistance or any tax credits or other tax advantages provided by or through the Corporation.

B. "Interested Shareholder" means any Person who is the Beneficial Owner, directly or indirectly, of more than 10% of the outstanding voting shares of the Corporation. However, the term "Interested Shareholder" shall not include the Corporation or any Subsidiary; any savings, employee stock ownership, or other employee benefit plan of the Corporation or any Subsidiary; or any fiduciary of any such plan when acting in such capacity. For the purpose of determining whether a person is an Interested Shareholder pursuant to this Section, the number of shares of Voting Stock deemed to be outstanding shall include any other shares of Voting Stock that may be issuable pursuant to any contract, arrangement or understanding, or upon exercise of conversion rights, warrants, options, or otherwise.

C. "Subsidiary" means any corporation of which a majority of any class of equity security is owned, directly or indirectly, by the Corporation; provided, however, that for the purposes of the definition of Interested Shareholder set forth in Paragraph B of this Section 1, the term "Subsidiary" shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the Corporation.

D. "Disinterested Director" means any member of the Board of Directors who is unaffiliated with the Interested Shareholder and was a member of the Board of Directors prior to the time that the Interested Shareholder became an Interested Shareholder, and any successor of a Disinterested Director who is unaffiliated with the Interested Shareholder and is recommended to succeed a Disinterested Director by a majority of Disinterested Directors then on the Board of Directors.

E. "Fair Market Value" means: (i) the Fair Market Value of a share of stock on the date in question as determined by a majority of the Disinterested Directors, appropriately adjusted for any dividend or distribution in shares of such stock or any combination or reclassification of outstanding shares of such stock into a smaller number of shares of such stock; and (ii) in the case of property other than cash or shares, the Fair Market Value of such property on the date in question as determined by a majority of the Disinterested Directors.

F. Reference to "Highest Per Share Price" shall in each case with respect to any class of stock reflect an appropriate adjustment for any dividend or distribution in shares of such stock or any stock split or reclassification of outstanding shares of such stock into a greater number of shares of such stock or any combination or reclassification of outstanding shares of such stock into a smaller number of shares of such stock.

G. "Affiliate" shall have the meaning set forth in Section 607.0901 of the FBCA.

H. "Person" shall mean any individual, a group acting in concert, a corporation, a partnership, an association, a joint venture, an investors' pool, a joint stock company, a trust, an unincorporated organization or similar company, a syndicate or any other group formed for the purpose of acquiring, holding or disposing of the equity securities of the Corporation.

I. "Beneficial Ownership" is defined herein to mean a Person who, directly or indirectly, has the:

1. voting power, which includes the power to vote or to direct the voting of, the Voting Stock, as that term is defined herein;
2. investment power, which includes the power to dispose of or to direct the disposition of, the Voting Stock; or
3. right to acquire the voting power or investment power of the Voting Stock, whether such right is exercisable immediately or only after the passage of time, pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, warrants or options, or otherwise.

J. "Acting in Concert" means (i) knowing participation in a joint activity or conscious parallel action towards a common goal whether or not pursuant to an express agreement; or (ii) a combination or pooling of voting or other interests in the securities of an issuer for a common purpose pursuant to any contract, understanding, relationship, agreement or other arrangement, whether written or otherwise.

K. "Voting Stock" means the outstanding shares of all classes or series of the Corporation entitled to vote generally in the election of directors.

Section 2 - Affiliated Transactions: In addition to any affirmative vote required by law or these Articles of Incorporation, and except as otherwise expressly provided in this Section, any Affiliated Transaction shall be approved by the affirmative vote of the holders of two-thirds of the Voting Stock, voting together as a single class. Such affirmative vote shall be required notwithstanding the fact that no vote may be required or that a lesser percentage may be specified by law or in any agreement with any national securities exchange or otherwise.

Section 3 - Exceptions: The voting provisions of Section 2 of this Article VII shall not be applicable to a particular Affiliated Transaction if all of the conditions specified in either of the following Paragraphs A and B are met:

A The Affiliated Transaction has been approved by a majority of the Disinterested Directors; or

B. In the Affiliated Transaction, consideration shall be paid to the holders of each class of voting shares and all of the following conditions shall be met:

1. The aggregate amount of the cash and the Fair Market Value, as of the valuation date, of consideration other than cash to be received per share by the holders of Common Stock in such Affiliated Transaction are at least equal to the higher of the following:

a. if applicable, the Highest Per Share Price (as previously defined herein), including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Shareholder for any shares of Common Stock acquired by it (i) within the two-year period immediately prior to the first public announcement date of the Affiliated Transaction ("Announcement Date"), or (ii) in the transaction in which it became an Interested Shareholder, whichever is higher;

b. the Fair Market Value per share of Common Stock on the Announcement Date or on the date on which the Interested Shareholder became an Interested Shareholder (such latter date is referred to in this Article VII as the "Determination Date"), whichever is higher;

c. if applicable, the price per share equal to the Fair Market Value per share of such class or series determined pursuant to sub-paragraph (b) of this Section 3, multiplied by the ratio of the Highest Per Share Price, including any brokerage commissions, transfer taxes and soliciting dealers' fees, paid by the Interested Shareholder for any shares of Voting Stock acquired by it within the two-year period immediately prior to the Announcement Date (the numerator), to the Fair Market Value per share of such class or series on the first day in such two-year period on which the Interested Shareholder acquired the Voting Stock (the denominator); or

d. if applicable, the highest preferential amount per share to which the holders of shares of such Voting Stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation.

2. The consideration to be received by holders of a particular class of outstanding Voting Stock (including Common Stock) shall be in cash or in the same form as the Interested Shareholder has previously paid for shares of such Voting Stock. If the Interested Shareholder has paid for shares of any class of Voting Stock with varying forms of consideration, the form of consideration for such class of Voting Stock shall be either cash or the form used to acquire the largest number of shares of such class of Voting Stock previously acquired by it. The consideration to be received pursuant to this provision shall be subject to appropriate adjustment in the event of any stock dividend, stock split, combination of shares or similar event.

3. During such portion of the three-year period preceding the announcement date that such Interested Shareholder has become an Interested Shareholder and except as approved by a majority of the Disinterested Directors:

a. there shall have been no failure to declare and pay at the regular date any full quarterly dividends (whether or not cumulative) on any outstanding stock having preference over the Common Stock as to dividends or liquidation;

b. there shall have been (i) no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any subdivision of the Common Stock), and (ii) an increase in such annual rate of dividends as necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of the Common Stock, and (iii) no such Interested Shareholder who has become the Beneficial Owner of any additional shares of Voting Stock except as part of the transaction which results in such Interested Shareholder becoming an Interested Shareholder.

4. Unless approved by a majority of the Disinterested Directors, no Interested Shareholder shall have received the benefit, directly or indirectly (except proportionately as a shareholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the Corporation, whether in anticipation of or in connection with such Affiliated Transaction or otherwise, during the three-year period preceding the date the Interested Shareholder became an Interested Shareholder.

5. A proxy or information statement describing the proposed Affiliated Transaction and complying with the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to shareholders of the Corporation at least 30 days prior to the consummation of

such business combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions).

Section 4 - Board Discretion: A majority of the Disinterested Directors of the Corporation shall have the power and duty to determine for the purposes of this Article VII, on the basis of information known to them after reasonable inquiry, (i) whether a person is an Interested Shareholder, (ii) the number of shares of Voting Stock beneficially owned by any person, (iii) whether a person is an Affiliate or Associate of another, and (iv) whether the assets which are the subject of any Affiliated Transaction have, or the consideration to be received for the issuance or transfer of securities by the Corporation or any Subsidiary in any Affiliated Transaction has, an aggregate Fair Market Value equal to or greater than 25% of the combined assets of the Corporation and its Subsidiaries. A majority of the Disinterested Directors shall have the further power to interpret all of the terms and provisions of this Article VII.

Section 5 - Interested Shareholder's Duty: Nothing contained in this Article VII shall be construed to relieve any Interested Shareholder from any fiduciary obligation imposed by law.

Section 6 - Amendments: Notwithstanding any other provisions of these Articles of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any particular class or series of the Voting Stock required by law or these Articles of Incorporation, the affirmative vote of the holders of at least 66% of the voting power of all of the then-outstanding shares of the Voting Stock (after giving effect to the provisions of Article III of these Articles of Incorporation), voting together as a single class, shall be required to alter, amend or repeal this Article VII.

ARTICLE VIII - ACQUISITION OFFERS

The Board of Directors of the Corporation, when evaluating any offer of another Person to (i) make a tender or exchange offer for any equity security of the Corporation, (ii) merge or consolidate the Corporation with another corporation or entity or (iii) purchase or otherwise acquire all or substantially all of the properties and assets of the Corporation, shall, in connection with the exercise of its judgment in determining what is in the best interest of the Corporation and its shareholders, give due consideration to all relevant factors, including, without limitation, the social and economic effect of acceptance of such offer on the Corporation's present and future customers and employees and those of its Subsidiaries (as defined in Article VII); on the communities in which the Corporation and its Subsidiaries operate or are located; on the ability of the Corporation to fulfill its corporate objectives as a financial institution holding company and on the ability of its subsidiary financial institutions to fulfill the objectives of such institutions under applicable statutes and regulations.

ARTICLE IX - INDEMNIFICATION

Section 1 - General: The Corporation shall indemnify any officer, director, employee or agent of the Corporation to the fullest extent authorized by Section 607.0850 of the FBCA as it now exists or may hereafter be amended but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights

than said law permitted the Corporation to provide prior to such amendment. This includes, but is not limited to, any person who was or is made a party or is threatened to be made a party to any action, suit or proceeding, whether civil, criminal, administrative or investigative (each a "Proceeding"), by reason of the fact that he or, she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such Proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or, agent, reasonably incurred or suffered by such person in connection therewith. Such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that the Corporation shall indemnify any such person seeking indemnity in connection with an action, suit or Proceeding (or part thereof) initiated by such person only if such action, suit or Proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. Such right shall be a contract right and shall include the right to be paid by the Corporation for all expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that, the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of such proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it should be determined ultimately that such director or officer is not entitled to be indemnified under this Article or otherwise.

Section 2 - Failure to Pay Claim: If a claim under Section 1 of this Article is not paid in full by the Corporation within 90 days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the FBCA for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its shareholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the FBCA, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its shareholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct.

Section 3 - Other Rights: The rights conferred on any individual by Sections 1 and 2 of this Article shall not be exclusive of any other right which such individual may have or hereafter

acquire under any statute, provision of these Articles of Incorporation, Bylaws of the Corporation, agreement, vote of shareholders or Disinterested Directors or otherwise.

Section 4 - Insurance: The Corporation may maintain insurance, at its expense, to protect itself and any such director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the FBCA.

Section 5 - Personal Liability: A director of the Corporation shall not be personally liable to the Corporation or its shareholders for monetary damages for any statement, vote, decision or failure to act regarding corporate management or policy except as provided in the FBCA. If the FBCA is amended after adoption of these Articles of Incorporation and such amendment further eliminates or limits the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the FBCA, as so amended.

Any repeal or modification of the foregoing paragraph by the shareholders or the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

ARTICLE X - AMENDMENT

The Corporation reserves the right to amend or repeal any provision contained in these Articles of Incorporation in the manner prescribed by the laws of the State of Florida, and all rights conferred upon shareholders are granted subject to this reservation; provided, however, that, notwithstanding any other provision of these Articles of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, the affirmative vote of the holders of at least 66% of the voting power of all of the then-outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors (after giving effect to the provisions of Article III), voting together as a single class, shall be required to amend or repeal this Article X, Section 3 of Article V, Article VI, Article VII or Article IX.

[Signature on Following Page]

01-07-2004

10:47am

From=ALSTON and BIRD

404 881 1111

1111 11111111 1111

IN WITNESS WHEREOF, Sterling BancGroup, Inc. has caused these Amended and Restated Articles of Incorporation to be executed by its duly authorized officer as of December 31, 2003.

STERLING BANCGROUP, INC.

By: 

Name: George A. Bavelis

Title: Chairman, President and
Chief Executive Officer

(Attachment)

Sterling BancGroup, Inc.

Name and Street Address of Florida Registered Agent:

C T Corporation System
1200 South Pine Island Road
Plantation, Florida 33324

Registered Agent's Acceptance:

Having been named as registered agent and to accept service of process for the above stated corporation at the place designated above, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

C T Corporation System

By: Gavin Egan
Registered Agent's Signature

Date: 1/7/04