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MERGER OR SHARE EXCHANGE

First Community Bank Holding Corporation

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AUG 18 2006

Merger

**ARTICLES OF MERGER
OF
RBC ACQUISITION, INC.
INTO
FIRST COMMUNITY BANK HOLDING CORPORATION**

Pursuant to the provisions of Sections 607.1101 and 607.1103 of the Florida Business Corporation Act, RBC Acquisition, Inc., a Florida corporation ("Acquisition"), and First Community Bank Holding Corporation, a Florida corporation (the "Survivor"), adopt the following Articles of Merger for the purpose of merging Acquisition with and into the Survivor.

FIRST: The Agreement and Plan Merger is attached hereto as Exhibit A.

SECOND: As a result of the merger, the articles of incorporation of Survivor shall be amended and restated to read in their entirety as set forth in Exhibit B.

THIRD: The Agreement and Plan of Merger was approved by the shareholders of the Survivor at a meeting of shareholders, duly called and held, on June 2, 2006, by the affirmative vote of in excess of a majority of the votes entitled to be cast thereon.

FOURTH: The Agreement and Plan Merger was approved by the unanimous written consent of the sole shareholder of Acquisition on March 23, 2006.

FIFTH: The merger to which these Articles relate shall become effective as of 5:59 P.M. prevailing local time in Tallahassee, Florida, on August 18, 2006.

[Signatures appear on next page]

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IN WITNESS WHEREOF, these Articles of Merger have been executed on behalf of the parties hereto as of the 18th day of August, 2006.

FIRST COMMUNITY BANK HOLDING COMPANY

By: 
Timothy W. Baker, President

RBC ACQUISITION, INC.

By: 
Vernon D. Smith, President

AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger (the "Agreement"), made as of this 4 day of April 2006, by and among Riverside Banking Company, Inc. ("RBC"), a corporation organized and existing under the laws of the state of Florida, RBC Acquisition, Inc. ("Acquisition"), a corporation organized and existing under the laws of the state of Florida, First Community Bank Holding Corporation ("First Community"), a corporation organized and existing under the laws of the state of Florida, and First Community Bank ("Bank"), a commercial bank organized and existing under the laws of the state of Florida.

WHEREAS, the respective Boards of Directors of each of RBC, Acquisition, and First Community deem it advisable and in the best interests of their respective shareholders that RBC acquire First Community and Bank through the merger of Acquisition with and into First Community, on the terms, and subject to the conditions, set forth in this Agreement; and

WHEREAS, the respective Boards of Directors of RBC, Acquisition and First Community have each approved the merger of Acquisition with and into First Community, substantially upon the terms, and subject to the conditions, hereinafter set forth (the "Merger");

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereafter set forth, and other good and valuable consideration the receipt and sufficiency of which hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

THE MERGER

1.1 *Merger.* Subject to the terms and conditions hereafter set forth, Acquisition shall be merged with and into First Community, in accordance with the applicable provisions of the Florida Business Corporation Act (the "FBCA").

1.2 *Name.* The name of the surviving corporation (the "Surviving Corporation" when reference is made to it after the Effective Time (hereinafter defined)) shall be "First Community Bank Holding Corporation."

1.3 *Articles of Incorporation; Bylaws.* (a) The Articles of Incorporation of the Surviving Corporation shall be the Articles of Incorporation of First Community in effect at the Effective Time, except that as of the Effective Time, the Articles of Incorporation of First Community shall be amended and restated to read in their entirety as set forth in Exhibit A attached hereto and made a part hereof.

(b) The Bylaws of First Community in effect at the Effective Time shall be the Bylaws of the Surviving Corporation.

1.4 Board of Directors; Officers. (a) The Board of Directors of Acquisition at the Effective Time shall serve as the Board of Directors of the Surviving Corporation until their successors are duly elected and qualified.

(b) The officers of Acquisition at the Effective Time shall serve as the officers of the Surviving Corporation until their successors are duly appointed by the Board of Directors.

1.5 Effect of the Merger. At the Effective Time, the separate corporate existence of Acquisition shall cease and First Community as the Surviving Corporation shall succeed to and possess all of the properties, rights, powers, privileges, franchises, patents, trademarks, licenses, registrations, and other assets of every kind and description of Acquisition, and shall be subject to, and be responsible for, all debts, liabilities, and obligations of Acquisition, all without further act or deed, and in accordance with the applicable provisions of the FBCA.

1.6 Closing; Effective Time. (a) The closing of the Merger (the "Closing") shall occur at the principal offices of First Community, or at such other place designated by the parties in writing, at a time and on a date specified in writing by the parties, which date shall be on the earliest practicable business day, but not more than thirty (30) days, after the receipt of all requisite approvals and authorizations of regulatory and governmental authorities, the expiration of all applicable waiting periods and the satisfaction or waiver of all conditions hereto. The date at which the Closing occurs is occasionally referred to herein as the "Closing Date."

(b) The Merger shall become effective at the later of (i) the filing of appropriate articles of merger with the Secretary of State of the State of Florida and (ii) the time set forth in said articles of merger (the "Effective Time"). Except as otherwise agreed in writing, the Effective Time shall be on the Closing Date.

1.07 Subsidiary Merger. Immediately following the Effective Time, First Community as the Surviving Corporation shall be merged with and into RBC, with RBC surviving, pursuant to, and subject to the terms and conditions of, the Subsidiary Merger Agreement to be substantially in the form attached hereto as Exhibit B.

1.08 Bank Merger. Immediately following the Effective Time, the Bank shall be merged with and into Riverside National Bank of Florida, Ft. Pierce, Florida, RBC's subsidiary bank ("RNB"), with RNB surviving, pursuant to, and subject to the terms and conditions of, the Bank Merger Agreement, to be substantially in the form attached hereto as Exhibit C. Notwithstanding the foregoing, RBC and Acquisition reserve the right, in their sole discretion, not to merge RNB and the Bank, and First Community and Bank agree to execute such agreements and other documents necessary for RBC and Acquisition to effect such other transaction as they may determine, in their sole discretion, involving RNB and the Bank, provided, however, that RBC and Acquisition agree not to make any changes with respect to any transaction between RNB and Bank that will vary the form or amount of consideration paid to First Community shareholders pursuant to Section 2.1(a) hereof.

ARTICLE II

CONSIDERATION AND CONVERSION OF SHARES

2.1 Conversion of Shares. (a) At the Effective Time, each of the outstanding shares of common stock, \$.01 par value per share, of First Community ("First Community Common Stock") (excluding shares of First Community Common Stock held in treasury or by any First Community Subsidiary, or as to which the holders have demanded the payment of fair value in accordance with Florida law ("Dissenting Shares")), shall automatically, and without further action be converted into cash in an amount equal to \$30.1425.

(b) All dollar amounts payable to any shareholder as a result of the payment of cash consideration pursuant to Section 2.1(a) will be rounded to the nearest cent (with one-half cent being rounded upward), based on the aggregate consideration payable for all shares registered in such shareholder's name.

(c) Each share of common stock, par value \$.01 per share of Acquisition ("Acquisition Common Stock") outstanding immediately prior to the Effective Time shall automatically, and without further action, be converted into one share of Common Stock, \$.01 par value per share, of First Community as the Surviving Corporation, which shall not be further converted pursuant to Sections 2.1(a).

(d) All shares of First Community Common Stock held by First Community as treasury shares, or held by any First Community Subsidiary (other than shares held in a fiduciary capacity for the benefit of a third party), shall be cancelled and shall not be converted as provided in Sections 2.1(a). Any such treasury shares or shares held by any First Community Subsidiary shall not be considered outstanding.

2.2 Treatment of Options. In accordance with the provisions of the First Community Stock Option Plan (the "Option Plan") any option to purchase shares of First Community Common Stock which shall not have been exercised in accordance with its terms prior to the Effective Time, shall be terminated, and no compensation shall be paid therefor.

2.3 Exchange of Share Certificates. Certificates formerly representing shares of First Community Common Stock shall be exchanged for cash in accordance with the following procedures:

(a) **Exchange Agent.** RBC shall act as exchange agent ("Exchange Agent") to receive First Community Common Stock certificates from the holders thereof and to issue checks for the amount of cash constituting the merger consideration pursuant to Section 2.1(a). The Exchange Agent shall, promptly after the Effective Time, mail to each former shareholder of First Community a notice specifying the procedures to be followed in surrendering such shareholder's First Community Common Stock certificates.

(b) **Surrender of Certificates.** As promptly as possible after receipt of the Exchange Agent notice, each former shareholder of First Community shall surrender his or her certificates to the Exchange Agent; provided, that if any former shareholder of First Community shall be unable to surrender his First Community Common Stock certificates due to loss or mutilation thereof, he or

she may make a constructive surrender by following the procedures customarily followed by RBC in the replacement of lost or mutilated certificates, including the posting of appropriate bond. Upon actual or constructive surrender of First Community Common Stock certificates from a former First Community shareholder, the Exchange Agent shall issue such shareholder, in exchange therefore, a check in payment of the cash constituting the per share merger consideration under Section 2.1(a).

(c) *Failure to Surrender Certificates.* All First Community Common Stock certificates must be surrendered to the Exchange Agent within six months of the Effective Time. In the event that any former shareholder of First Community shall not have properly surrendered his or her certificates within such period, the cash merger consideration to be received by holders of First Community Common Stock shall be held by RBC for such shareholder's benefit in a non-interest bearing deposit account at Bank or another depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation, chosen by RBC in its discretion, and the sole right of such shareholder shall be the right to collect cash in such account. Subject to all applicable laws of escheat, such amounts shall be paid to such former shareholder of First Community, without interest, upon proper surrender of his or her First Community Common Stock certificates.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF RBC AND ACQUISITION

RBC and Acquisition represent and warrant to First Community and Bank as follows:

3.1 *Organization and Authority.* RBC is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida, is a registered bank holding company under the Bank Holding Company Act of 1956, as amended (the "BHCA") and has the corporate power and authority to own its properties and assets and to carry on its business, and the business of its subsidiaries, as now being conducted and to enter into and carry out its obligations under this Agreement. Acquisition 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 own its properties and assets and to carry on its business, and the business of its subsidiaries, as now being conducted and to enter into and carry out its obligations under this Agreement. Each of RBC and Acquisition is qualified to do business as a foreign corporation in each jurisdiction where such qualification is necessary, except where the failure to obtain such qualification would not have a material adverse effect on the business, operations, assets, financial condition, prospects or results of operations, of RBC or Acquisition and their respective subsidiaries, taken as a whole. RBC and Acquisition have all necessary governmental authorizations to own or lease their respective properties and assets, and carry on their business as now being conducted, with the exception of those authorizations which the failure to obtain would not have a material adverse effect on the business, operations, financial condition, or result of operations of RBC.

3.2 *Capitalization of RBC.* As of the date hereof, the authorized capital stock of RBC consisted of 1,700,000 shares of Class A Common Stock, par value \$5.00 per share, of which at such date, 1,249,924 shares were issued and outstanding, 300,000 shares of Class B Common Stock, par value \$5.00 per share, of which at such date 72,277 shares were issued and outstanding, 50,000 shares of Class C Common Stock, par value \$5.00 per share, of which at such date 9,058

shares were issued and outstanding, 150,000 shares of Class D Common Stock, per value \$5.00 per share, of which at such date -0- shares were issued and outstanding and 500,000 shares of undesignated preferred stock, \$5.00 per value per share, of which at such date -0- shares were issued or outstanding.

3.3 Capitalization of Acquisition. As of the date hereof, the authorized capital stock of Acquisition consisted of 1,000 shares of Acquisition Common Stock, of which at such date, 1,000 shares were issued and outstanding.

3.4. Authorization. The execution, delivery and performance of this Agreement by RBC and Acquisition, and the consummation of the transactions contemplated hereby have been duly authorized by the Board of Directors of RBC and Acquisition, RBC as the sole shareholder of Acquisition, and no other corporate proceedings on the part of RBC or Acquisition are necessary to authorize this Agreement and the transactions contemplated hereby. Subject to the approvals of government agencies having regulatory authority over RBC and Acquisition or the Merger as may be required by statute or regulation, this Agreement is the valid and binding obligation of RBC and Acquisition, enforceable in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization or moratorium or other similar laws affecting creditors' rights generally, and subject to general equitable principles which may limit the enforcement of certain remedies.

Neither the execution, delivery and performance of this Agreement by RBC and Acquisition, nor the consummation of the transactions contemplated hereby, nor compliance by RBC and Acquisition with any of the provisions of this Agreement, will (i) violate, conflict with, or result in a breach of any provisions of, or constitute a default (or an event which, with notice of lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration, or the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of RBC or Acquisition under any of the terms, conditions or provisions of, (x) the respective Articles of Incorporation or Association or Bylaws of RBC and Acquisition, or (y) any material note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which RBC or Acquisition is a party or by which RBC or Acquisition may be bound, or to which RBC or Acquisition or any of their properties or assets may be subject, or (ii) subject to compliance with the statutes and regulations referred to in the next paragraph, violate any judgment, ruling, order, writ, injunction, decree, statute, rule or regulation applicable to RBC, Acquisition or any of their properties or assets.

Other than in connection or in compliance with the applicable provisions of Florida law, the securities or blue sky laws of the various states and consents, authorizations, notices, approvals or exemptions required under the BHCA, the Bank Merger Act or any other applicable federal or state banking statute, no notice to, filing with, authorization of, exemption by, or consent or approval of, any public body or authority is necessary for the consummation by RBC and Acquisition of the transactions contemplated by this Agreement.

Neither RBC nor Acquisition has any reason to believe that any required regulatory consent or approval will not be received on a timely basis or will be received with conditions or restrictions

which it would deem unduly burdensome, or which would have an adverse impact on its capacity to consummate the transactions contemplated hereby.

3.5 Litigation and Other Proceedings. Neither RBC nor Acquisition is a party to any pending, or, to the knowledge of RBC and Acquisition, threatened claim, action, suit, investigation or proceeding or subject to any order, judgment or decree, except for matters which, in the aggregate, cannot reasonably be anticipated to have, a material adverse effect on the capacity of RBC and Acquisition to consummate the transactions contemplated hereby.

3.6 Proxy Statement, Etc. None of the information supplied or to be supplied by RBC or Acquisition for inclusion, or included, in (i) the Proxy Statement to be mailed to the shareholders of First Community (as defined in Section 5.3 below), in connection with the First Community Shareholder Meeting (as defined in Section 5.3 below), and (ii) any other documents to be filed with any regulatory agency in connection with the transactions contemplated hereby will, to the best knowledge of RBC or Acquisition and at such respective times as such information is supplied or such documents are filed or mailed, be false or misleading with respect to any material fact, or omit to state any material fact necessary in order to make the statements therein not misleading. All documents which RBC or Acquisition are responsible for filing with any regulatory agency in connection with the Merger will comply as to form in all material respects with the provisions of applicable law.

3.7 RBC has no reason to believe that any required regulatory consent or approval will not be received or will be received with conditions or restrictions which RBC or Acquisition would deem unduly burdensome, or which would have an adverse impact on their capacity to consummate the transactions contemplated hereby.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF FIRST COMMUNITY AND BANK

First Community and Bank represent and warrant to RBC and Acquisition as follows:

4.1 Organization and Authority. First Community is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida. First Community is a registered bank holding company under the BHCA, and has the corporate power and authority to own its properties and assets and to carry on its business, and the business of its subsidiaries, as now being conducted and to enter into and carry out its obligations under this Agreement. First Community is qualified to do business as a foreign corporation in each jurisdiction where such qualification is necessary, except where the failure to obtain such qualification would not have a material adverse effect on the business, operations, assets, financial condition, prospects or results of operations, of First Community and its subsidiaries, taken as a whole. First Community has all necessary governmental authorizations to own or lease its properties and assets, and carry on its business as now being conducted, with the exception of those authorizations which the failure to obtain would not have a material adverse effect on the business, operations, financial condition, or result of operations of First Community and its subsidiaries, taken as a whole.

4.2 First Community Subsidiaries. (a) First Community directly owns all outstanding shares of the capital stock of Bank outstanding. Except as reflected on Schedule 4.2 attached hereto and made a part hereof, First Community and the Bank do not have any subsidiaries, including financial subsidiaries, and do not own any capital stock or other interests in any entity (including, without limitation, active or inactive corporations, partnerships, joint ventures, trusts and limited liability companies). The Bank together with all other First Community and Bank subsidiaries are referred to on occasion as "First Community Subsidiaries" and each individually as a "First Community Subsidiary." No equity securities of Bank or any other First Community Subsidiary are or may become required to be issued by reason of any options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever, relative to, or concerning securities or rights convertible into, or exchangeable for, shares of any class of capital stock of any First Community Subsidiary, and there are no other contracts, commitments, understandings or arrangements by which any First Community Subsidiary is bound to issue, or First Community is bound to cause any First Community Subsidiary to issue, additional shares of its capital stock or options, warrants or rights to purchase or acquire any additional shares of its capital stock.

(b) All of the shares of capital stock of each First Community Subsidiary so owned by First Community are fully paid and non-assessable and, except as set forth on Schedule 4.2, are owned by it free and clear of any claim, lien, encumbrance or agreement with respect thereto. Bank is a commercial bank duly organized, validly existing and in good standing under the laws of the state of Florida, and has the corporate power and authority and all necessary federal, state, local and foreign authorizations to own or lease its properties and assets and to carry on its business as it is now being conducted. The deposits of Bank are insured to the applicable legal limits by the Bank Insurance Fund of the FDIC. Each other First Community Subsidiary is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and has the corporate power and authorization and all necessary material Federal, state, local and foreign authorizations to own or lease its properties and assets and to carry on its business as it is now being conducted.

4.3 First Community and Bank Capital Structure. (a) The authorized capital stock of First Community consists of 3,000,000 shares of First Community Common Stock, par value \$.01 per share. As of the date hereof, 1,880,344 shares of First Community Common Stock were issued and outstanding (excluding shares held in treasury or by First Community Subsidiaries), and 134,313 shares of First Community Common Stock were held in treasury or by First Community Subsidiaries. As of the date hereof, there are outstanding options to purchase 276,198 shares of First Community Common Stock. As of the date hereof, there are no other shares of capital stock or other equity securities of First Community outstanding and no other outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into or exchangeable for, shares of capital stock of First Community, or contracts, commitments, understandings, or arrangements by which First Community was or may become bound to issue additional shares of its capital stock or options, warrants or rights to purchase or acquire any additional shares of its capital stock.

All of the outstanding shares of First Community Common Stock are duly and validly issued, and are fully paid and nonassessable. No shares of First Community Common Stock have been issued in violation of the preemptive or preferential rights of any holder of First Community capital stock. All of the outstanding shares of First Community Common Stock have been issued

pursuant to an effective registration statement under the Securities Act, and pursuant to effective registrations or qualifications under applicable state securities or blue sky laws, or pursuant to applicable exemptions from such registration or qualification. All shares of First Community Common Stock have been issued pursuant to exemptions from the registration provisions of the Securities Act of 1933 and applicable state securities laws.

(b) As of the date hereof, the authorized capital stock of Bank consisted of (i) 600,000 shares of common stock, \$5.00 par value, ("Bank Common Stock") of which at such date 477,065 shares were issued and outstanding and no shares of Bank Common Stock have been issued since that date. There are no other shares of capital stock or other equity securities of Bank outstanding and no other outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into or exchangeable for, shares of capital stock of Bank, or contracts, commitments, understandings, or arrangements by which Bank was or may become bound to issue additional shares of its capital stock or options, warrants or rights to purchase or acquire any additional shares of its capital stock.

4.4 *Authorization.* The execution, delivery and performance of this Agreement by First Community and Bank and the consummation of the transactions contemplated hereby have been duly authorized by the Boards of Directors of First Community and Bank and by First Community as sole shareholder of Bank, and except for the approval by the shareholders of First Community, no other corporate proceedings on the part of First Community or Bank are necessary to authorize this Agreement and the transactions contemplated hereby. Subject to shareholder approval, this Agreement is the valid and binding obligation of First Community and Bank enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization or moratorium or other similar laws or equitable principles affecting creditors' rights generally and subject to general equitable principles which may limit the enforcement of certain remedies.

Except as reflected on Schedule 4.4 attached hereto and made a part hereof, neither the execution, delivery and performance of this Agreement by First Community and Bank, nor the consummation of the transactions contemplated hereby, nor compliance by First Community and Bank with any of the provisions hereof or thereof, will (i) violate, conflict with, or result in a breach of any provisions of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration or the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of First Community or Bank under any of the terms, conditions or provisions of (x) its Articles or Articles of Incorporation or Association or Bylaws or (y) any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which First Community or Bank may be bound, or to which First Community or Bank or any of the properties or assets of First Community or Bank may be subject; or (ii) subject to compliance with the statutes and regulations referred to in the next paragraph, violate any judgment, ruling, order, writ, injunction, decree, statute, rule or regulation applicable to First Community or Bank or any of their respective properties or assets.

Other than in connection or in compliance with the applicable provisions of Florida law, the securities or blue sky laws of the various states and consents, authorizations, approvals or

exemptions required under the BHCA, the Bank Merger Act or any other applicable federal or state banking statute, no notice to, filing with, authorization of, exemption by, or consent or approval of, any public body or authority is necessary for the consummation by First Community and Bank of the transactions contemplated by this Agreement.

First Community has no reason to believe that any required regulatory consent or approval will not be received or will be received with conditions or restrictions which RBC or Acquisition would deem unduly burdensome, or which would have an adverse impact on their capacity to consummate the transactions contemplated hereby.

4.5 First Community Financial Statements. The audited consolidated balance sheets of First Community as of December 31, 2005 and 2004 and the related audited consolidated statements of financial condition, income, changes in shareholders' equity, and cash flows for the two years ended December 31, 2005, copies of which have been furnished by First Community to RBC and Acquisition, have been prepared in accordance with United States generally accepted accounting principles ("GAAP") applied on a consistent basis, and present fairly, in all material respects, its financial position as of December 31, 2005 and 2004, and its consolidated results of operations and cash flows for the years then ended. The audited consolidated balance sheets of First Community as of future dates and the related audited consolidated statements of income, changes in shareholders' equity and cash flows for the periods then ended, which may be provided by First Community to RBC and Acquisition subsequent to the date hereof, will be prepared in accordance with GAAP applied on a consistent basis, and will present fairly, in all material respects, its financial position as of such dates and its consolidated results of operations and cash flows for such periods. The unaudited interim financial statements which may be provided to RBC and Acquisition subsequent to the date hereof have been and will be prepared in accordance with GAAP applied on a consistent basis, and present and will present fairly the financial position of First Community at the dates, and the consolidated results of operations, shareholders' equity, and changes in the financial position of First Community for the periods stated therein. Together, the audited and unaudited consolidated financial statements referred to in this section 4.5 are referred to as the "First Community Consolidated Financial Statements."

Without limitation of the foregoing, the allowance for loan losses which are reflected in the balance sheets included in the First Community Consolidated Financial Statements, were calculated in accordance with GAAP; and no facts have subsequently come to the attention of management of First Community or Bank which would cause it to restate in any material way the amount of the allowance for loan losses as of any such date.

4.6 Books of Account; Corporate Records; Shareholder List. The books of account of First Community and Bank are maintained in compliance in all material respects with all applicable legal and accounting requirements. Not in limitation of the foregoing, the books and records of account of Bank contain sufficient information, in reasonably accessible form and format, to enable it to conduct business in the ordinary course with respect to the assets and liabilities of Bank, including but not limited to information which would enable it to make any required filings under the Bank Secrecy Act and regulations promulgated thereunder. The minute books of First Community and Bank accurately disclose all material corporate actions of their respective shareholders and Board of Directors and of all committees thereof.

4.7 Reports. (a) As of December 31, 2005, First Community and Bank had filed, since that date have filed, and subsequent to the date hereof will file, all reports, registrations and statements, if any, together with any amendments required to be made with respect thereto, that were and are required to be filed with (i) the Federal Reserve Board, (ii) the FDIC, and (iii) the state of Florida Office of Financial Regulation (all such reports and statements are collectively referred to herein as the "First Community Reports"). As of their respective dates, the First Community Reports complied and will comply in all material respects with all the statutes, rules and regulations enforced or promulgated by the regulatory authority with which they were filed and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

(b) As of December 31, 2005, First Community Common Stock was held by fewer than 500 holders of record, as calculated in accordance with Rule 12g3-1 promulgated under the Securities Exchange Act of 1934 (the "1934 Act"). First Community is not aware of any form of holding shares of First Community Common Stock which is used primarily to circumvent the provisions of Section 12(g) or 15(d) of the 1934 Act. Neither First Community nor Bank is now required, or has ever been required, to file reports with the Securities and Exchange Commission, or its primary federal banking regulator, pursuant to Section 13 or 15(d) of the 1934 Act, or has ever filed a registration statement under the 1934 Act or the Securities Exchange Act of 1933.

4.8 Absence of Certain Changes. Except as reflected on Schedule 4.8 attached hereto and made a part hereof, since December 31, 2005, there has not been any change, in the nature of the business, results of operations, assets, financial condition, prospects, method of accounting or accounting practice, or manner of conducting the business of First Community and Bank, or otherwise, any of which changes has had, or may reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, operations, assets, financial condition, prospects or results of operations of First Community and Bank taken as a whole, or on the ability of First Community and Bank to consummate the transactions contemplated hereby.

4.9 Insurance. All policies of insurance, including policies of title insurance, liability insurance and financial institutions bonds maintained by First Community and Bank, including the identity of the carrier, type of coverage, policy limits, expiration, and claims made within the past five (5) years, are set forth in Schedule 4.9 attached hereto and made a part hereof. All such policies are in full force and effect and no notices of cancellation have been received in connection therewith. Such policies are in accordance with customary and reasonable practice in the banking industry in respect of amounts, types and risks insured, for the business in which First Community and Bank are engaged, and are sufficient for compliance with all legal requirements and all agreements to which First Community or Bank is a party. Neither First Community nor Bank is in default with respect to any such policy which defaults, taken as a whole, are material to First Community and Bank, taken as a whole.

4.10 Properties, Leases and Other Agreements. Except as may be reflected in the First Community Consolidated Financial Statements or in Schedule 4.10 attached hereto and made a part hereof, and except for any lien for current taxes not yet delinquent, and except for imperfections of

title, encumbrances and easements, if any, as are not substantial in character, amount or extent and do not materially detract from the value, or interfere with the present or proposed use of, such properties or assets, First Community and Bank have good title, free and clear of any liens, claims, charges, options or other encumbrances, to all of the personal and real property reflected in the consolidated balance sheet of First Community as of December 31, 2005, referred to above in Section 4.5, and all personal and real property acquired since such date, except such personal and real property as has been disposed of for fair value in the ordinary course of business. Except as set forth in Schedule 4.10 attached hereto and made a part hereof, all leases material to First Community, pursuant to which First Community and Bank, as lessee, leases real or personal property, are valid and effective in accordance with their respective terms, and there is not, under any of such leases, any material existing default by First Community and Bank or any event which with notice or lapse of time or both would constitute such a material default. Schedule 4.10 attached hereto and made a part hereof sets forth a complete list and brief description of all real estate owned or leased by First Community and Bank (including real estate acquired by means of foreclosure, transfer in lieu of foreclosure or by exercise of any creditor's right), and all personal property having a value in excess of \$25,000 owned or leased by First Community and Bank. Except as set forth on Schedule 4.10 hereto, each item of real estate described in Schedule 4.10 and used in the conduct of the business of First Community or Bank is in good repair and insurable at market rates; no notice of violation of zoning laws, building or fire codes or other statutes, ordinances or regulations relating to the use or operation of such property has been received by or is known of by First Community and Bank; and there are no condemnation or similar proceedings pending or threatened against any such property or any portion thereof.

4.11 Taxes: Except as set forth in Schedule 4.11 attached hereto and made a part hereof, First Community and Bank have duly filed, or will file, all federal, state, local and foreign tax returns ("Returns") required by applicable law to be filed on or before the Effective Time (all such Returns being accurate and complete in all material respects), and have paid or have set up adequate reserves or accruals for the payment of all taxes required to be paid in respect of the periods covered by such Returns, and will pay, or where payment is not yet due, will set up adequate reserves or accruals adequate in all material respects for the payment of all taxes for any subsequent periods ending on or prior to the Effective Time or any portion of a subsequent period which includes the Effective Time and ends subsequent thereto. Neither First Community nor Bank will have any material liability for any such taxes in excess of the amounts so paid or reserved or accruals so established. Except as set forth in Schedule 4.11 attached hereto and made a part hereof, neither First Community nor Bank is delinquent in the payment of any material tax, assessment or governmental charge and has not requested any extension of time within which to file any tax returns in respect of any fiscal year which have not since been filed. Except as set forth in Schedule 4.11 attached hereto and made a part hereof, no material deficiencies for any tax, assessment or governmental charge have been proposed, asserted or assessed (tentatively or definitively) against First Community or Bank which have not been settled and paid and, as of the date of this Agreement, no requests for waivers of the time to assess any tax, or waivers of the statutory period of limitation, are pending or have been granted, and neither First Community nor Bank has in effect any currently effective power of attorney or authorization to any person to represent it in connection with any taxes.

4.12 Fiduciary Activities. Except as set forth in Schedule 4.12 attached hereto and made a part hereof, neither First Community nor any First Community Subsidiary is directly or indirectly engaged in any fiduciary or custodial activities.

4.13 Intangible Property. Except as set forth in Schedule 4.13 attached hereto and made a part hereof, Bank and First Community own or possess the right, free of the claims of any third party, to use all material trademarks, service marks, trade names, copyrights, patents, and licenses currently used by them in the conduct of their respective businesses, each of which is described in Schedule 4.13. No material product or service offered and no material trademark, service mark or similar right used by First Community or Bank infringes any rights of any other person, and, as of the date hereof, neither First Community nor Bank has received written or oral notice of any claim of such infringement.

4.14 Employee Relations. As of the date hereof, First Community and Bank are in all material respects in compliance with all federal and state laws, regulations, and orders respecting employment and employment practices (including Title 7 of the Civil Rights Act of 1964), terms and conditions of employment, and wages and hours, and none of them is engaged in any unfair labor practice, and there are no pending, or to the knowledge of First Community and Bank, threatened actions, suits or proceedings, administrative, arbitral, civil, criminal or otherwise, seeking to impose on First Community or Bank, any penalty, or to recover any damages from First Community or Bank or any person to whom they may be obligated to provide indemnification or defense, as a result of the violation or alleged violation of any of such employment related laws, regulations or orders, and there is no basis for any of the foregoing. As of the date hereof, no dispute exists between First Community or Bank and any of their respective employee groups regarding employee organization, wages, hours, or conditions of employment which would materially interfere with the business or operations of RBC. As of the date hereof, there are no labor or collective bargaining agreements binding upon First Community or Bank or to which First Community or Bank is a party, and, except as set forth in Schedule 4.14, no employment, severance, change in control or consulting agreements binding upon First Community or Bank, or to which First Community or Bank is a party. As of the date hereof, First Community and Bank are not aware of any attempts to organize a collective bargaining unit to represent any of their respective employee groups. All contributions due on or prior to the date hereof to any pension, profit-sharing, or similar plan of First Community or Bank have been paid or provided for in accordance with the Employee Retirement Income Security Act of 1974, as amended, and all other applicable federal and state statutes and regulations. Schedule 4.14 sets forth each employment contract, deferred compensation, non-competition, bonus, stock option, profit sharing, pension, retirement, change in control, severance, incentive and insurance arrangement or plan, and any other remunerative or fringe benefit arrangement applicable to First Community or Bank, including the amounts currently payable pursuant to any employment agreement or other such arrangement.

4.15 ERISA. Schedule 4.15 sets forth a complete list of First Community and Bank's employee pension benefit plans within the meaning of Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), profit sharing plans, stock purchase plans, deferred compensation and supplemental income plans, group insurance plans and all other employee welfare benefits plans within the meaning of Section 3(1) of ERISA, maintained for the benefit of the employees or former employees, including any beneficiaries thereof, and directors or

former directors of First Community and Bank. First Community and Bank have delivered to RBC a true and correct copy of each such employee benefit plan. Other than as set forth in this Section 4.15 and Schedule 4.15, neither First Community nor Bank maintains any plans of the type described in this Section.

All "employee benefit plans" (as defined in Section 3(3) of ERISA) comply in all material respects with all applicable provisions of ERISA, the Code, and all other federal, state, or local laws. The assets of First Community and Bank are not subject to any liens under ERISA or the Code with respect to any employee benefit plan of First Community or Bank or an Affiliate (as defined below), and no event has occurred, or condition exists, which could subject First Community or Bank or their respective assets to a future liability, obligation, or lien arising out of any employee benefit plan of First Community or Bank or an Affiliate.

All employee benefit plans currently or previously maintained, sponsored, or contributed to by First Community or Bank have been administered, maintained, and operated in accordance with their terms. All contributions, payments, fees or expenses relating to each such employee benefit plan that were deducted by First Community or Bank for income tax purposes were properly deductible in the year claimed. There are no actions, claims (other than routine benefit claims made in the ordinary course), proceedings or inquiries, pending or threatened, with respect to any such employee benefit plan, and neither First Community nor Bank has any knowledge of any fact which could give rise to any such action, claim, proceeding or inquiry. Neither First Community, Bank, nor any other person or entity who or which is a party in interest (as defined in Section 3(14) of ERISA) or disqualified person (as defined in Section 4975(e)(2) of the Code) has acted or failed to act with respect to any such employee benefit plan in any manner which constitutes: (1) a breach of fiduciary responsibility under ERISA; (2) a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code; or (3) any other violation of ERISA or the Code. Neither First Community nor Bank is obligated to indemnify, reimburse, or contribute to the liabilities or expenses of any person or entity who may have committed or been involved in any such fiduciary breach, prohibited transaction, or ERISA or Code violation. Each such employee benefit plan which is intended to meet the requirements for tax-favored treatment under Subtitle A, Chapter 1 of the Code meets such requirements. Each such employee benefit plan that was intended to constitute a qualified plan under Section 401(a) of the Code has, at all times, been qualified, in form and operation, under Section 401(a) of the Code, and any related trust is and has, at all times, been exempt from income tax. Neither First Community, Bank nor any Affiliate (as defined below) has ever maintained or contributed to a multiemployer plan (as defined in Section 3(37) of ERISA). All returns, reports, statements, notices, declarations or documents relating to an employee benefit plan that are required by law to be filed with or furnished to any federal, state, or local governmental agency have been timely filed. Any employee benefit plan (including any employee benefit plan of an Affiliate) that is a group health plan (as defined in Section 5000(b)(1) of the Code) has complied in each and every case with the requirements of Sections 601 through 607 of ERISA and Section 4980B of the Code and all other applicable federal, state, and local laws relating to continuation coverage (collectively "COBRA"), and no such plan provides benefits to former employees or their beneficiaries (except to the extent required under COBRA). Each employee benefit plan can be amended, modified, or terminated without participant consent and without additional liability accruing to First Community or Bank after the date of Plan termination. For this purpose, liabilities accrued on or before the date of Plan termination shall be limited to the following: (1) in the case of

an employee benefit pension plan (within the meaning of Section 3(2) of ERISA), the participant's "accrued benefit," as defined in Section 3(23) of ERISA; and (2) in the case of an employee welfare benefit plan (within the meaning of Section 3(1) of ERISA), claims for expenses, costs, or services (including, but not limited to, medical and other health care services) actually performed or incurred before the date of the Plan termination. Any prior amendment, modification, or termination of an employee benefit plan has been made in accordance with the terms of the Plan and applicable law.

For purposes of this Section 4.15, the term Affiliate means an entity included in the group of entities consisting of First Community or Bank and all other entities that are treated as part of the same controlled group under Section 414(b), (c), (m) or (o) of the Code.

4.16 Contracts; Consents. Except as disclosed in Schedule 4.16, neither First Community nor Bank is a party to, and no property or assets of First Community or Bank is subject to any contract, agreement, lease, sublease, license, arrangement, understanding or instrument calling for payments in excess of \$25,000 over the term of the contract or in any year ("Material Contract"). Each such Material Contract is valid and in full force and effect, and all parties thereto have in all material respects performed all obligations thereunder required to be performed to date, and are not in material default. Except as disclosed in Schedule 4.16, each Material Contract is assumable and assignable without consent of the other party thereto and does not contain any provision increasing or accelerating payments otherwise due, or changing or modifying the provisions or terms of such Material Contract as a result of this Agreement or the transactions contemplated hereby. Except for the governmental approvals referred to in Section 4.4 and as set forth on Schedule 4.16, no consent, permission, acquiescence, approval, or authorization of or by any third party is required to permit First Community and the Bank to consummate the transactions contemplated hereby.

4.17 Related Party Transactions. Except as disclosed in Schedule 4.17 neither First Community nor Bank has any contract, extension of credit, business arrangement, depository relationship, or other relationship with: (i) any present or former director or officer of First Community or Bank; (ii) any shareholder of First Community owning 5% or more of the First Community Common Stock; or (iii) any affiliate or associate of the foregoing. Each extension of credit disclosed in Schedule 4.17 has been made in the ordinary course of business, and on the same terms, including interest rate and collateral, as those prevailing at the time for comparable arms'-length transactions, and does not involve more than the normal risk of collectibility or present other unfavorable features.

4.18 Loans. Except as set forth in Schedule 4.18, each of the loans of Bank represents the legal, valid and binding obligation of the borrowers named therein, enforceable in accordance with its terms (including the validity, perfection and enforceability of any lien, security interest or other encumbrance relating to such loan), except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, and subject to general principles of equity which may limit the enforcement of certain remedies, and each such loan was made in compliance with the provisions of applicable law and regulation, including but not limited to the Real Estate Settlement Practices Act and the Truth in Lending Act and the regulations promulgated thereunder. Except as set forth in Schedule 4.18, no default (including any event or circumstance which with the passage of time or the giving of notice or both would constitute a default) in respect of any material

provision of any such loan exists, and First Community and Bank have no knowledge of any borrower's inability to repay any of such loans when due, whether or not such borrower is currently in default.

4.19 Environmental Matters. First Community and Bank have no knowledge, information or reason to believe that any environmental contaminant, pollutant, petroleum product toxic or hazardous waste or similar or like substance is being or has been generated, used, stored, processed, disposed of, discharged at, or was or is otherwise present at any real estate now or previously owned or acquired (including without limitation any real estate acquired by means of foreclosure, transfer in lieu of foreclosure or by exercise of any other creditor's right) or leased by First Community or Bank, or any real estate which is pledged or stands as collateral security for any loan or other extension of credit by Bank, except as disclosed in Schedule 4.19. There is no legal, administrative, arbitral or other proceeding, claim, action, cause of action or governmental proceeding or investigation of any nature whatsoever, seeking to impose, or that could result in the imposition, on First Community or Bank of any liability arising under any local, state, or federal environmental statute, regulation, rule or ordinance, pending or, to the knowledge of First Community or Bank, threatened against First Community or Bank; and there is no reasonable basis for any of the foregoing; and neither First Community nor Bank is subject to any agreement, order, judgment, decree or memorandum of any court, governmental authority, regulatory agency or third party imposing any such liability. Neither First Community nor Bank has any current or potential liability for the cleanup or remediation of the environmental issues at 140 Spring Garden Road, De Land, Florida and the Florida Department of Environmental Protection has committed in writing to provide 100% reimbursement without qualification for any remediation of the premises.

4.20 Litigation and Other Proceedings. Except as set forth in Schedule 4.20, neither First Community nor Bank is a party to any pending, or, to the knowledge of First Community and Bank, threatened claim, action, suit, investigation or proceeding or subject to any order, judgment or decree, except for matters which, in the aggregate, cannot reasonably be anticipated to have, a material adverse effect on the financial condition, results of operations, business, properties or prospects of First Community or Bank taken as a whole, and there is no basis for any of the foregoing. Schedule 4.20 sets forth a complete and accurate list of all pending actions, suits, investigations or proceedings to which First Community or Bank is a party or which relate to any material portion of their respective assets, and threatened actions, suits, investigation or proceedings of which First Community or the Bank have knowledge, to which First Community or Bank believes one or both may become a party or which relate to any material portion of their respective assets. First Community and Bank do not have any knowledge of any pending or threatened action, suit or proceeding which presents a claim to prohibit, restrict or restrain the transactions contemplated hereby.

4.21 Absence of Undisclosed Liabilities. Except as disclosed in Schedule 4.21, or as reflected, noted or adequately reserved against in the First Community Consolidated Financial Statements as of December 31, 2005, First Community has no material liabilities (whether accrued, absolute, contingent or otherwise) which were required to be reflected, noted or reserved against in the balance sheet included therein under generally accepted accounting principles. Except as disclosed in Schedule 4.21, First Community and the First Community Subsidiaries have not incurred, since December 31, 2005, any such liability, other than liabilities of the same nature as

those set forth in the balance sheet, all of which have been incurred in the ordinary course of business as conducted prior to December 31, 2005.

4.22 Compliance with Laws. (a) First Community and Bank have all permits, licenses, certificates, of authority, orders and approvals of, and have made all filings, applications and registrations with, federal, state, local or foreign governmental or regulatory bodies that are required in order to permit them to carry on their business as presently conducted and the absence of which would have a material adverse effect on such business; all such permits, licenses, certificates of authority, orders and approvals are in full force and effect, and, to the best knowledge of First Community and Bank, no suspension or cancellation of any of them is threatened; and all such filings, applications and registrations are current. First Community and the Bank are in compliance in all material respects with all applicable federal, state and local statutes, laws, regulations, ordinances, rules, judgments, orders or decrees applicable thereto or to the employees conducting such businesses, including, without limitation, the Equal Credit Opportunity Act, the Fair Housing Act, the Community Reinvestment Act, the Home Mortgage Disclosure Act, the Bank Secrecy Act, the USA Patriot Act, RESPA, the Flood Disaster Protection Act, and all other applicable fair lending laws and other laws relating to discriminatory business practices, anti-money laundering, foreign corrupt practices, suspicious activity reporting and similar matters. First Community and Bank have not violated, and do not violate, in any material respect, any applicable domestic (federal, state or local) or foreign law, statute, ordinance, license or regulation now in effect. Neither First Community nor Bank is in default under any order, license, regulation or demand of any federal, state, local or other governmental agency or with respect to any order, writ, injunction or decree of any court.

(b) Except for statutory or regulatory restrictions of general application, no Federal, state, local or other governmental authority has placed any restrictions on the business of First Community or any of the First Community Subsidiaries which reasonably could be expected to have a material adverse effect on the business of First Community and the First Community Subsidiaries taken as a whole.

4.23 Proxy Statement, Etc. None of the information supplied or to be supplied by First Community or Bank for inclusion, or included, in (i) the Proxy Statement or (ii) any other documents to be filed with any regulatory agency in connection with the transactions contemplated hereby will, at the respective times such information is supplied or such documents are filed or mailed, be false or misleading with respect to any material fact, or omit to state any material fact necessary in order to make the statements therein not misleading. All documents which First Community or Bank is responsible for filing with any regulatory agency in connection with the transactions contemplated hereby, and all information provided by First Community or Bank to RBC and Acquisition for inclusion in any such filings by RBC or Acquisition, will comply as to form in all material respects with the provisions of applicable law.

4.24 Anti-Takeover Provisions. First Community, the Bank and each other First Community Subsidiary has taken all actions required to exempt such company, this Agreement and the Merger from any provisions of an antitakeover nature contained in their organizational documents or the provisions of any federal or state "antitakeover," "fair price," "moratorium," "affiliate transaction", "control share acquisition" or similar laws or regulations ("Takeover Laws"),

including but not limited to Section 607.0901 and Section 607.0902 of the Florida Business Corporation Act.

4.25 Fairness Opinion. First Community has received, on or prior to the date hereof, the written opinion of Hovde Financial, LLC to the effect that the Merger is fair to the shareholders of First Community from a financial point of view.

4.26 Brokers and Finders. Except for a fee of \$885,000 payable to Hovde Financial, LLC, neither First Community nor Bank, nor any of their officers, directors, employees, or shareholders has employed any broker or finder or incurred any liability for any financial advisory fees, brokerage fees, commissions or finder's fees, and no broker or finder has acted, directly or indirectly, for First Community or Bank, in connection with this Agreement or the transactions contemplated hereby.

ARTICLE V

CONDUCT OF BUSINESS PRIOR TO THE EFFECTIVE TIME

5.1 Forbearance by First Community and Bank. From the date hereof until the Effective Time, First Community and Bank covenant and agree that each will not do, or agree or commit to do, and First Community and Bank covenant and agree that without the prior written consent of RBC and Acquisition they will not permit any First Community Subsidiary to do or agree or commit to do any of the following:

- (a) except as in the ordinary course of business consistent with past practice, enter into or assume any Material Contract, make any material commitment, incur any material liabilities or material obligations, whether directly or by way of guaranty, including any obligation for borrowed money whether or not evidenced by a note, bond, debenture or similar instrument, acquire or dispose of any material property or asset, or engage in any transaction not in the ordinary course of business consistent with past practice, or subject any of First Community's or Bank's assets or properties to any lien, claim, charge or encumbrances whatsoever;
- (b) grant any increase in compensation to its employees or officers or directors, or except as set forth on Schedule 4.14 pay any bonus, or effect any increase in retirement benefits to any class of employees or its officers (unless any such change shall be required by applicable law);
- (c) declare, set aside or pay any dividend or other distribution on any class of its capital stock except for the customary cash dividend in an amount of \$1.15 per share to be paid on or before April 14, 2006;
- (d) redeem, purchase or otherwise acquire any shares of its capital stock or any securities or obligations convertible into or exchangeable for any shares of its capital stock; merge into any other corporation or bank or permit any other corporation or bank to merge into it, or consolidate with any other corporation or bank; liquidate, sell or dispose of any assets or acquire any assets, otherwise than in the ordinary course of its business consistent with past practice; or agree to do any of the foregoing;

- (e) open, or file an application with any federal or other regulatory agency with respect to the opening of any additional office, branch or banking facility, or the acquisition or establishment of any additional banking or nonbanking facility;
- (f) issue any shares of its capital stock except in connection with the exercise of options properly granted prior to the date hereof or in connection with the issuance, in conformity with the terms of the KSOP Plan and applicable law and regulations, of not more than 7,706 shares of First Community Common Stock to the KSOP Plan, or permit any share of its capital stock held in its treasury to become outstanding; issue or grant, or extend or modify the terms of any option, warrant, or stock appreciation right;
- (g) amend its Articles or Articles of Incorporation or Association or Bylaws;
- (h) effect any capital reclassification, stock dividend, stock split, consolidation of shares or similar change in capitalization;
- (i) take, cause or permit the occurrence of any change or event which would render any of its representations and warranties contained herein untrue in any material respect at and as of the Effective Time;
- (j) enter into any related party transaction of the type contemplated by Section 4.17 heretof, except for transactions relating to deposit relationships or the extension of credit in the ordinary course of business, on substantially the same terms, including interest rate and collateral, as those prevailing for comparable transactions with unaffiliated parties, and which do not present more than the normal risk of collectibility or other unfavorable features, and in respect of which disclosure has been made to RBC and Acquisition prior to disbursement;
- (k) solicit, encourage, or authorize any person, including but not limited to directors, officers, shareholders, or employees, to solicit from, or communicate with, any third party, inquiries or proposals relating to any Acquisition Proposal (as defined in Section 6.10), or provide any such third party with information or assistance or negotiate or conduct any discussions with any such third party in furtherance of such inquiries or to obtain an Acquisition Proposal, or continue any such activities in progress on the date hereof, and First Community shall promptly notify RBC and Acquisition of all of the relevant details, including the identity of such third party and the nature of any such third party Acquisition Proposal, relating to all inquiries and proposals which it may receive relating to any of such matters;
- (l) knowingly take any action which would (i) adversely affect the ability to obtain the necessary approvals of governmental authorities required for the transactions contemplated hereby; or (ii) adversely affect the ability to perform the covenants and agreements under the Agreement; or
- (m) enter into any new line of business, or change its lending, investment, assets liability management, risk management, deposit pricing, or other material banking or operating policies and procedures in any material manner; or

- (n) adopt, enter into or amend any employment, consulting, change in control, or severance agreement, arrangement or policy with or with respect to any officer, employee or director.

5.2 Conduct of Business. From the date hereof until the Effective Time, First Community and Bank covenant and agree that, except as otherwise consented to by RBC and Acquisition in writing it shall, and First Community shall cause Bank and each other First Community Subsidiary to:

- (a) carry on its business, and maintain its books of account and other corporate records, in the ordinary course consistent with past practice and legal and regulatory requirements;
- (b) to the extent consistent with prudent business judgment, use all reasonable efforts to preserve its present business organization, to retain the services of its officers and employees, and maintain customer and other business relationships;
- (c) maintain all of the structures, equipment, and other real and personal property of First Community and the First Community Subsidiaries in good repair, order and condition, ordinary wear and tear and unavoidable casualty excepted;
- (d) use all reasonable efforts to preserve or collect all material claims or causes of action of First Community and the First Community Subsidiaries;
- (e) keep in full force and effect all insurance coverage maintained by First Community or the First Community Subsidiaries;
- (f) perform in all material respects all obligations under all material agreements, contracts, commitments and other instruments which First Community or any First Community Subsidiary is a party or by which they may be bound or which relate to or affect any of their respective assets or properties;
- (g) comply in all material respects with all statutes, laws, regulations, rules, ordinances, orders, decrees, consent agreements, examination reports and other federal, state and local governmental or regulatory directives applicable to First Community and the First Community Subsidiaries and the conduct of their respective businesses;
- (h) at all times maintain the allowance for loan losses at a level which is adequate to absorb reasonably anticipated losses in the loan and lease portfolio, in accordance with GAAP and regulatory requirements; and
- (i) prior to the Closing, provide the calculation of Bank's allowance for loan losses and supporting information to RBC prior to the date of publication of any regulatory report or financial statement that will first include an allowance for loan losses based upon such calculation.
- (j) (1) obtain the signed written agreement and acknowledgement of each holder of an Option under the Option Plan that such option is exercisable solely for shares of First Community and not shares of the Bank, and that such option shall be terminated at the Effective Time without payment

of any compensation if not exercised prior to that time; (2) ensure that all options outstanding as of the date hereof shall be fully exercised and expensed or cancelled prior to the Closing, in accordance with the terms of the Stock Option Plan and the stock option agreements entered into pursuant to the Option Plan.

(k) amend, prior to the Closing, the First Community Employee Deferred Bonus Plan ("Deferred Bonus Plan") and any agreements thereto, as necessary to conform the Deferred Bonus Plan and agreements to all laws and regulations, including conformity to Section 409A of the Internal Revenue Code.

(l) terminate, on or before March 31, 2006, the First Community KSOP Plan ("KSOP Plan"), and distribute, prior to the Closing, any shares of First Community Common Stock held by the KSOP Plan to the beneficial owners.

(m) cooperate fully with RBC in its efforts to establish a Call Center in the DeBarry Office, including the identification of First Community staff to fill the Call Center positions (up to 10) and operational and technical planning required in order to establish a Call Center shortly after the Effective Time.

(n) cooperate fully with RBC to make First Community and Bank employees available at reasonable times for training prior to Closing.

(o) make appropriate staff of First Community and Bank available to assist in the systems and operations conversion.

(p) make best efforts to obtain adequate flood insurance on all loan collateral prior to Closing.

(q) make best efforts to obtain current financial statements on all commercial loans greater than \$250,000 that are lacking such, prior to Closing.

(r) provide written confirmation from Progressive Insurance Company on the GEL lawsuit prior to Closing, that the liability of First Community and Bank is limited to a \$25,000 deductible (except that attorney fees are not subject to the deductible)

(s) amend or terminate prior to Closing, at the direction and sole discretion of RBC, the bank-owned life insurance program of the Bank.

5.3 Approval of First Community Shareholders. (a) First Community shall cause a meeting of its shareholders (the "First Community Shareholder Meeting") to be held as soon as reasonably possible, but no later than May 31, 2006, for the purpose of considering the approval of the Merger. First Community shall cause to be distributed to each shareholder of record of First Community (according to the transfer records of First Community as of the record date for the First Community Shareholder Meeting), such material required by applicable statutes and regulations including but not limited to a copy of a proxy statement ("Proxy Statement") to be prepared by First Community in connection with the Merger, describing in reasonable detail the provisions of the Merger Agreement, the terms of the Merger, the business of First Community and the Bank, in form and

substance reasonably satisfactory to RBC. The Proxy Statement shall be mailed by First Community on the date (the "Mailing Date") at least twenty (20) business days prior to the date of the First Community Shareholder Meeting. The Board of Directors of First Community shall recommend to its shareholders that they vote the shares held by them to approve the Merger and to adopt this Agreement and for approval of the change in control agreements and First Community shall use its best efforts in good faith to obtain its shareholders' approval of the Merger in accordance with Florida law.

(b) The Proxy Statement, as amended or supplemented by any amendment or supplement, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that information as of a later date included therein shall be deemed to modify information of an earlier date, and with respect to either party, the foregoing statement shall not apply to statements in or omissions from the Proxy Statement made in reliance upon and in conformity with information furnished by the other party for use in the Proxy Statement. After becoming aware of any statement or omission which renders the statement set forth in the preceding sentence not true or correct, the parties will promptly amend, supplement or revise such material in order to make the statement in the preceding sentence true and correct at all times up to and including the Effective Date.

ARTICLE VI

ADDITIONAL AGREEMENTS

6.1 *Access and Information.* (a) First Community and Bank shall afford to RBC and Acquisition, and to RBC's and Acquisition's accountants, counsel, financial advisors and other representatives, reasonable access during normal business hours of First Community and Bank, during the period prior to the Effective Time, to all of its properties, books, contracts, commitments and records and, during such a period, shall furnish promptly to RBC and Acquisition (a) except as prohibited by law, a copy of each report, schedule and other document filed or received by it during such period with or from (i) the state of Florida Office of Financial Regulation; (ii) Federal Reserve Board or (iii) the FDIC; and (b) all other information concerning its business, assets, properties and personnel as RBC and Acquisition may reasonably request. RBC, Acquisition and their accountants, counsel, financial advisors and other representatives will request permission for all such access in advance, and all such access will be conducted in a manner designed to minimize disruption to the normal business operations and employee or customer relations of First Community and Bank. RBC and Acquisition shall cause all information obtained by them or their representatives pursuant to this Agreement or in connection with the negotiation thereof, including, without limitation, the schedules hereto, to be treated as confidential and shall not use, nor knowingly permit others to use, any such information for any purpose other than in connection with the transactions contemplated hereby, unless such information becomes generally available to the public or is required to be disclosed pursuant to the order of a court of competent jurisdiction or otherwise in accordance with applicable law, and in the event of the termination of this Agreement shall promptly return all documents (including copies thereof) obtained hereunder from First Community and Bank, and

shall destroy all copies of any analyses, compilations, notes, studies or other documents prepared from any such material for their use.

6.2 Applications; Cooperation. As promptly as practicable after the furnishing by First Community and Bank of all information regarding them required to be reflected therein, RBC and Acquisition shall file (i) the applications and notices for Federal Reserve Board, the Office of the Comptroller of the Currency (the "OCC"), the Florida Office of Financial Regulation, or other regulatory approval, and (ii) any other applications for regulatory or other approvals deemed necessary or appropriate by RBC and Acquisition. To the extent available, RBC and Acquisition shall request expedited or emergency treatment of such applications, and shall take reasonable steps to pursue the applications. First Community and Bank agree that they shall, and shall cause their employees, agents, representatives, and advisors to, cooperate with RBC and Acquisition in the preparation and filing of the regulatory applications, including, but not in limitation, by providing on a prompt basis information requested by RBC, Acquisition or their advisors for inclusion in such documents, and by providing comments on drafts of such documents on a timely basis.

6.3 Notice of Actual or Threatened Breach. Each party will promptly give written notice to the other parties upon becoming aware of any impending or threatened occurrence of any event or the failure of any event to occur which might cause or constitute a breach of any of the representations, warranties or covenants made by such party in this Agreement, any other changes or inaccuracies in any data previously given or made available to the other parties, or which might threaten consummation of the transaction contemplated hereby.

6.4 Current Information. (a) During the period from the date of this Agreement to the Effective Time, First Community and Bank will cause one or more of its representatives to confer on a regular and frequent basis with representatives of RBC and Acquisition to report the general status of its ongoing operations. First Community and Bank will promptly notify RBC and Acquisition of any material change in the normal course of its business or in the operation of its properties and, to the extent permitted by applicable law, of any governmental complaints, investigations or hearings (or communications indicating that the same may be contemplated), or the institution or the threat of material litigation involving them, and will keep RBC and Acquisition fully informed with respect to such events.

(b) During the period from the date of this Agreement to the Effective Time, RBC and Acquisition (i) will cause one or more of its representatives to confer on a regular and frequent basis with representatives of First Community and the Bank to report its financial condition and its ongoing operations and activities; (ii) will promptly notify First Community and Bank of any governmental complaints, investigations or hearings (or communications indicating that the same may be contemplated), or the institution or the threat of material litigation involving them, and will keep RBC and Acquisition fully informed with respect to such events; and (iii) will promptly provide to First Community and the Bank copies of all regulatory applications required to be filed by RBC or Acquisition under this Agreement and related correspondence to and from the applicable regulatory authorities.

6.5 Expenses. Each party hereto shall pay its own expenses incident to preparing for, entering into and carrying out this Agreement and to the consummation of the Merger and the

transactions contemplated hereby. First Community agrees that the aggregate expenses of First Community, including all fees and expenses of legal counsel, accountants, and financial or other advisors (including Howde Financial LLC), shall not exceed reasonable amounts in light of the circumstances and the amount and nature of work or services to be performed, and shall report in writing to RBC, on a monthly or other basis as may be agreed upon in writing by the parties, such fees and expenses, and under no circumstances shall such fees and expenses exceed \$1,045,000.

6.6 Miscellaneous Agreements and Consents. Subject to the terms and conditions herein provided, each of the parties hereto agrees to use all reasonable efforts to take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement, including, without limitation, using reasonable efforts to lift or rescind any injunction or restraining order or other order adversely affecting the ability of the parties to consummate the transactions contemplated hereby. RBC and Acquisition, or First Community and Bank, as the case may be, will use their respective best efforts to obtain consents of all third parties and governmental bodies necessary or desirable for the consummation of the transactions contemplated by this Agreement.

6.7 Press Releases and Public Disclosures. RBC and First Community will consult with each other and jointly approve the form, substance and timing of any press release, disclosures to shareholders, staff, customers, and the public at large on matters related to this Agreement or any of the transactions contemplated hereby.

6.8 Bank Employees. Subject to the terms of employment agreements in effect as of the date hereof (or to be entered into in connection herewith) and which have been disclosed to RBC and Acquisition on the Schedules hereto, and subject to RBC's and Acquisition's determination, in their discretion, to offer continued employment to non-executive officer or executive officer employees of Bank on a case by case basis, RBC and Acquisition shall have no obligation to continue the employment of any First Community or Bank employee after the Effective Time. Not in limitation of the foregoing, it is the current intention of RBC to offer all retail branch staff and all full time lenders and lender assistants of First Community and Bank continued employment, subject to satisfactory review of employee records. RBC agrees that each First Community or Bank employee who is not under contract and who is involuntarily terminated without cause within 150 days following the Effective Time shall receive a severance payment of two weeks of pay for every full year of service to First Community or Bank, with a minimum of four weeks pay. All First Community and Bank employees will be eligible to participate in RBC's employee benefit plans on the same basis as similarly situated RBC employees and will receive credit for prior years' service in determining eligibility and vesting (but not benefit accruals) under RBC's ERISA plans (i.e. employee retirement and welfare plans). In the case of any such ERISA plan under which benefits are provided through insurance, RBC's agreement to credit prior service is subject to the consent of the applicable insurer.

6.9 D&O Indemnification. Following the Effective Time and for a period of four (4) years thereafter, RBC shall indemnify, defend and hold harmless any person who has rights to indemnification from First Community, to the same extent and on the same conditions as such person is entitled to indemnification pursuant to applicable law and First Community's articles of

incorporation or bylaws, as in effect on the date of this Agreement, to the extent legally permitted to do so with respect to matters occurring on or prior to the Effective Time. RBC shall maintain First Community's existing directors' and officers' liability policy, or some other policy providing at least comparable coverage, covering persons who are currently covered by such insurance of First Community for a period of four (4) years after the Effective Time on terms comparable to those in effect on the date hereof.

6.10 Acquisition Proposals. (a) Notwithstanding anything contained in Section 5.1(k) to the contrary, in the event that First Community shall receive prior to the Effective Time an Unsolicited Acquisition Proposal (as hereinafter defined) which, in the good faith determination of the Board of Directors of First Community, the fiduciary duty of the directors under Florida law requires that the Board of Directors consider, negotiate, communicate, or provide information with respect to (collectively "communications"), which such determination shall be based on the written advice of counsel to First Community, in the effect that the fiduciary duty of the directors requires such communications because such Unsolicited Acquisition Proposal is more favorable (in the written opinion of First Community's financial advisor) to its shareholders than the Merger, then First Community shall be entitled to engage in such communications.

(b) In the event that the Board of Directors of First Community:

(i) approves any Unsolicited Acquisition Proposal, or First Community and/or Bank consummate any such Unsolicited Acquisition Proposal, First Community and Bank shall be deemed to have terminated this Agreement as of the date of such approval or consummation, and shall be liable for such amounts specified in Section 8.2(b).

(ii) (1) recommends any Unsolicited Acquisition Proposal to the shareholders of Company; (2) shall fail to recommend the Merger to the shareholders of First Community while any unrejected Unsolicited Acquisition Proposal exists; or (3) withdraws, or adversely modifies, or fails upon request of RBC and Acquisition to reconfirm its recommendation of the Merger to shareholders of the Merger, in each case while any unrejected Unsolicited Acquisition Proposal exists; then RBC and Acquisition shall be deemed to have terminated this Agreement as of the date of such recommendation, failure to recommend, withdrawal, modification or failure to reconfirm, and shall be liable for such amounts specified in Sections 8.2(b).

(c) For purposes of this Section 6.10:

(i) An "Acquisition Proposal" shall mean any proposal, other than the Merger, received by First Community from any person or entity other than RBC and Acquisition (including deemed receipt as a result of the public announcement of such proposal by the proponent) regarding: (1) any merger, consolidation, reorganization, business combination, share purchase or exchange, purchase and assumption or similar transaction involving First Community or the Bank; or (2) any sale, lease, transfer, pledge, encumbrance or other disposition, directly or indirectly, of all, or any substantial portion of, the assets of First Community or the Bank.

(ii) An "Unsolicited Acquisition Proposal" shall mean any Acquisition Proposal received without violation of the provisions of Section 5.1(k) hereof.

(iii) Any Acquisition Proposal made by any party at the direction, suggestion, solicitation, encouragement, or otherwise as a result of contact between such party and any investment banker or financial advisor or other person or entity retained or proposed to be retained by First Community shall be deemed to be a proposal solicited by First Community for purposes of this Section 6.10 and shall not constitute an Unsolicited Acquisition Proposal.

(d) First Community shall immediately advise RBC and Acquisition of, and communicate to RBC and Acquisition the terms of, any such Acquisition Proposal or inquiry with respect to an Acquisition Proposal addressed to First Community or of which First Community or its officers or directors has knowledge. First Community's Board of Directors shall use its best efforts to cause its officers, directors, employees, agents and representatives to comply with the requirements of this Section and Section 5.1(k).

6.11 Section 338 Election. First Community and Bank agree that they shall, in the appropriate tax return filing or other filing with the IRS, upon the written request of RBC, make an election under Section 338 of the Internal Revenue Code to enable RBC to treat the Merger as an asset purchase for federal income tax purposes, unless such election changes the form of consideration to be paid to holders of First Community Common Stock or reduces the consideration to be paid to holders of First Community Common Stock as provided for in Section 2.1(a) of this Agreement. RBC shall have the sole discretion to determine whether the Merger will be treated as an asset purchase, and First Community shall not make an election under Section 338 absent RBC's request.

6.12 Disclosure. All Schedules called for by this Agreement shall be updated as of the Closing Date.

ARTICLE VII

CONDITIONS

7.1 Conditions to Each Party's Obligation to Effect the Merger. The respective obligations of each party to effect the Merger shall be subject to the fulfillment or waiver at or prior to the Effective Time of the following conditions:

(a) **Shareholder Approval.** The Merger shall have been approved by the requisite vote of the shareholders of First Community.

7.2 Conditions to Obligation of RBC and Acquisition to Effect the Merger. The obligation of RBC and Acquisition to effect the Merger shall be subject to the fulfillment or waiver at or prior to the Effective Time of the following additional conditions:

(a) **Representations and Warranties; Corporate Proceedings.** Each representation and warranty of First Community and Bank set forth in Article IV hereof shall be true and correct in all

material respects (except those representations and warranties which are qualified by a materiality standard, which shall be true and correct in all respects) as of the date of this Agreement and as of the Effective Time (other than those limited to a specified date, which shall speak only as to such date), and RBC and Acquisition shall have received a certificate of the First Community and Bank, executed by the President thereof in his capacity as such, and not in his individual capacity, to that effect. All action required to have been taken by, or on the part of, First Community or Bank to authorize the execution, delivery and performance of this Agreement and the Merger, respectively, shall have been duly and validly taken, and RBC and Acquisition shall have received certified copies of the resolutions evidencing such authorizations.

(b) *Performance of Obligations.* First Community and Bank shall each have in all material respects performed all obligations required to be performed by it under this Agreement prior to the Effective Time, and RBC and Acquisition shall have received a certificate of First Community and Bank, executed by the President thereof in his capacity as such, and not in his individual capacity, to that effect. Notwithstanding the foregoing, failure to perform and observe the covenant set forth in Section 5.1(f) shall be deemed to be material nonperformance of such obligation.

(c) *Permits, Authorizations, Etc.* First Community and Bank shall have obtained any and all material permits, authorizations, consents, waivers, clearances or approvals required for the lawful consummation of the Merger.

(d) *No Material Adverse Change.* There shall not have been any material adverse change in the business, operation, assets, financial condition, or results of operations of First Community and Bank, taken as a whole.

(e) *Regulatory Approvals.* RBC and Acquisition shall have received approval of the Merger contemplated by this Agreement from the Federal Reserve, OCC or any other federal or state regulatory agencies whose approval is required for consummation of such transaction, without the imposition of any condition or conditions that, in the reasonable judgment of RBC and Acquisition, would have a material adverse effect on the value of the Merger to RBC and Acquisition (excluding conditions that are ordinarily imposed in connection with transactions of the type contemplated by this Agreement), and all notice and waiting periods after the granting of any such approval shall have expired.

(f) *No Injunction.* No injunction, restraining order, stop order or other order or action of any federal or state court or agency in the United States which prohibits, restricts or makes illegal the consummation of the transactions contemplated hereby, shall be in effect, and no action, suit or other proceeding seeking such shall have been instituted or threatened, and no statute, rule or regulation shall have been enacted, issued or promulgated, by any state or federal government or government agency, which prohibits, restricts or makes illegal the consummation of the transactions contemplated hereby.

(g) *Litigation.* At the Effective Time, there shall not be pending or threatened against First Community or Bank or the officers or directors thereof in their capacity as such, any suit, action or proceeding (including antitrust actions) which, if successful, would, in the reasonable judgment of

RBC and Acquisition, have a material adverse effect on the financial condition, operations, business or prospects of Bank or First Community.

(b) *Support Agreement.* Each of the directors of First Community and Bank shall have, simultaneously with the execution of this Agreement, entered into a Support Agreement in substantially the form attached hereto as Exhibit D.

(c) *Non-compete Agreement.* Each of the directors of First Community and Bank shall have, simultaneously with the execution of this Agreement, entered into a non-compete Agreement in substantially the form attached hereto as Exhibit E.

(d) *Officer Retention or Consulting Agreements.* Simultaneously with the execution of this Agreement, David B. McCranie and William G. Tison shall have entered into retention agreements and Timothy W. Englert shall have entered into a consulting agreement in substantially the forms attached hereto as Exhibit F.

(e) *Brokers and Finders Fees.* First Community and Bank shall have paid in full, at or prior to Closing, all amounts owing in respect of the payments contemplated in Section 4.26 hereof.

(f) *Third Party Consents.* First Community and Bank shall have obtained all material third party consents under any agreement, contract, lease, note, license, permit or other document by which First Community and Bank is bound or to which any of their respective properties is subject required for the consummation of the transactions contemplated hereby, except such consents which, individually or in the aggregate do not result in a material adverse effect on the business, operations, assets, financial condition, assets, prospects or results of operations of First Community, taken as a whole.

(g) *Shareholders' Equity.* At the Effective Time, First Community's shareholders' equity (consisting of capital stock, surplus, undivided profits, and treasury stock, shall be a minimum of \$21 million, determined in accordance with GAAP (and excluding any effect of any election under Section 338 under the Internal Revenue Code).

(h) *Dissenters.* Holders of not more than 5% of the outstanding First Community Common Stock shall have validly exercised and perfected their rights to dissent from the Merger and demand fair value of their shares of First Community Common Stock in accordance with Florida law.

(i) *Tax Treatment.* RBC and Acquisition shall have received the written opinion of RSM McGladrey, Inc., or other tax advisor agreed upon in writing by the parties hereto, to the effect that, or RBC and Acquisition shall have otherwise determined to their satisfaction that, the consummation of the Merger and other transactions contemplated hereby, in accordance with provisions hereof, will not result in a taxable event or realization event at First Community or the Surviving Corporation. The parties acknowledge and agree that the Merger will result in the taxation on holders of First Community Common Stock on gains realized by such holders as a result of the Merger.

(p) *Trust Preferred.* RBC, through a newly formed subsidiary trust, shall have issued \$50 million in Trust Preferred Securities.

(q) *Capital Stock of Bank.* First Community shall own all of the capital stock of the Bank free and clear of any claim, lien, encumbrance or agreement with respect thereto.

7.3 Conditions to Obligation of First Community and Bank to Effect the Merger. The obligation of First Community and Bank to effect the Merger shall be subject to the fulfillment or waiver at or prior to the Effective Time of the following additional conditions:

(a) *Representations and Warranties; Corporate Proceedings.* Each representation and warranty of RBC and Acquisition set forth in Article III hereof shall be true and correct in all material respects (except those representations and warranties which are qualified by a materiality standard, which shall be true and correct in all respects) as of the date of this Agreement and as of the Effective Time as though made at and as of the Effective Time (other than those limited to a specified date, which shall speak only as to such date), and First Community shall have received a certificate of the President of RBC and Acquisition, in his capacity as such to that effect. All corporate action required to have been taken by, or on the part of, RBC and Acquisition to authorize the execution, delivery and performance of this Agreement and the Merger, respectively, shall have been duly and validly taken, and First Community and Bank shall have received certified copies of the resolutions evidencing such authorizations.

(b) *Performance of Obligations.* RBC and Acquisition shall have in all material respects performed all obligations required to be performed by them under this Agreement prior to the Effective Time, and First Community and Bank shall have received a certificate of the President of RBC to that effect.

(c) *No Injunction.* No injunction, restraining order, stop order or other order or action of any federal or state court or agency in the United States which prohibits, restricts or makes illegal the consummation of the transactions contemplated hereby, shall be in effect, and no action, suit or other proceeding seeking such shall have been instituted or threatened, and no statute, rule or regulation shall have been enacted, issued or promulgated, by any state or federal government or government agency, which prohibits, restricts or makes illegal the consummation of the transactions contemplated hereby.

(d) *Regulatory Approvals.* RBC and Acquisition shall have received approval of the Merger contemplated by this Agreement from the Federal Reserve, OCC or any other federal or state regulatory agencies whose approval is required for consummation of such transaction, and all notice and waiting periods after the granting of any such approval shall have expired.

ARTICLE VIII

TERMINATION, AMENDMENT AND WAIVER

8.1 Termination. This Agreement may be terminated at any time prior to the Effective Time:

- (a) by mutual consent of all parties hereto;
- (b) by either RBC and Acquisition or First Community and Bank, at any time after November 30, 2006, if the Merger shall not theretofore have been consummated, unless the date reflected in this Section 8.1(b) shall be (i) extended in writing to December 31, 2006 by any of the parties hereto if, despite the good faith efforts of the parties hereto, all regulatory approvals as defined in Section 7.2(e) above, have not been obtained or all statutory waiting periods have not expired as of November 30, 2006, or (ii) extended in writing to any date agreed to by all of the parties hereto, provided, however, in the case of (i) or (ii), in the event that First Community or Bank engages in communications in violation of Section 5.1(k), First Community and Bank shall not be entitled to terminate this Agreement pursuant to provisions of Section 8.1(b);
- (c) (i) by First Community and Bank, in the event of a material adverse change in the business, results of operations, assets, financial condition or prospects, of RBC and Acquisition that may reasonably be expected to threaten the ability of RBC and Acquisition to consummate the transactions contemplated hereby; or (ii) by RBC and Acquisition, in the event of a material adverse change in the business, results of operations, assets, financial condition or prospects, of First Community and Bank.
- (d) (i) by First Community and Bank, in the event of the material breach by RBC and Acquisition of any material representation, warranty or agreement contained herein if such breach has not been, or cannot be, cured within fifteen (15) days of delivery of written notice of breach, or (ii) by RBC and Acquisition, in the event of the material breach by First Community or Bank of any material representation, warranty or agreement contained herein if such breach has not been, or cannot be, cured within of fifteen (15) days of delivery of written notice of breach, provided that no cure period shall be available for a breach involving the provisions of Sections 5.1(k);
- (e) by either First Community and Bank or RBC and Acquisition if any governmental or regulatory approval required for consummation of the Merger and the transactions contemplated hereby shall have been denied by final, non-appealable order, or any such denial shall not have been appealed within the time available for such appeal;
- (f) by either First Community and Bank or RBC and Acquisition, in the event that any of the conditions precedent to the obligation of such party to consummate the Merger cannot be satisfied or fulfilled by the date specified in 8.1(b) of this Agreement, provided that terminating party(ies) shall not be in breach of a material representation, warranty or covenant of this Agreement at the time of termination pursuant to this Section 8.1(f);
- (g) by either First Community and Bank or RBC and Acquisition, in the event that the Merger and the Agreement are not approved by the requisite majority of the shareholders of First Community at the First Community Shareholder Meeting.
- (h) by either First Community and the Bank or RBC and Acquisition, in accordance with the provisions of Section 6.10(b).

8.2 Effect of Termination. (a) In the event of termination of this Agreement by either First Community and Bank or RBC and Acquisition as provided in Section 8.1 above, this Agreement shall forthwith become void and there shall be no liability on the part of either First Community and Bank or RBC and Acquisition or their respective officers or directors, except that: (i) the provisions of this Section 8.2, the provisions regarding the confidentiality and return or destruction of documents of Section 6.1, and the provisions of Section 6.5 shall survive any such termination and abandonment; and (ii) a termination pursuant to Section 8.1(c) shall not relieve the breaching party from liability for any of willful breach of a material provision of this Agreement giving rise to such termination.

(b) Notwithstanding anything to the contrary contained herein, in the event of termination of this Agreement: (i) by either First Community and Bank or RBC and Acquisition pursuant to Section 8.1(h); or (ii) by RBC and Acquisition pursuant to Section 8.1(d) based upon a breach of Section 5.1(k); First Community shall, within 15 days of such termination pay to RBC, in cash or by wire transfer, the sum of \$4,000,000.

(c) Notwithstanding anything to the contrary contained herein, if this Agreement shall have been terminated pursuant to Section 8.1(g), and prior to such termination First Community shall have breached the provisions of Section 5.1(k) (whether or not such breach shall have resulted in the failure to obtain shareholder approval), First Community shall, within 15 days of such termination, pay to RBC, in cash or by wire transfer, the sum of \$4,000,000.

(d) First Community and Bank agree that they shall cause the acquiror in respect of any Acquisition Proposal to expressly assume the obligation of First Community to make such payment to the extent such payment obligation has not been previously satisfied. Notwithstanding anything to the contrary contained herein, the obligations of First Community to make such payments and to cause such assumption shall survive the termination of this Agreement and shall be binding upon First Community and any successor or assign of First Community, whether by merger, consolidation, share purchase or exchange, asset purchase, or otherwise.

(e) RBC, First Community and Bank acknowledge that the business and assets of First Community and Bank are unique and that, if the parties fail to consummate the transactions contemplated by this Agreement, the parties may have no adequate remedy at law. RBC and First Community shall each be entitled, in addition to the rights provided by this Section 8.2 and its other remedies at law, to specific performance of this Agreement if another party shall, without cause, refuse to consummate the transactions contemplated by this Agreement.

(f) RBC, First Community and Bank acknowledge and agree that the agreements contained in Section 8.2(b) and Section 8.2(c) are integral parts of the transactions contemplated by this Agreement, that without such agreements the parties would not have entered into this Agreement and that such amounts do not constitute a penalty. If a party (the "Breaching Party") fails to pay the party entitled to a payment under such section (the "Recipient Party") the amounts due under such sections within the time periods specified therein, the Breaching Party shall pay the costs and expenses (including reasonable legal fees and expenses) incurred by the Recipient Party in connection with any action in which the Recipient Party prevails, including the filing of any lawsuit, taken to collect payment of such amounts, together with interest on the amount of any such unpaid

amounts at the maximum interest rate payable on judgments pursuant to applicable Florida law, calculated on a daily basis from the date such amounts were required to be paid until the date of actual payment.

8.3 Amendment. This Agreement may be amended by the parties hereto, by action taken by or on behalf of their respective Boards of Directors, at any time before or after approval of the Merger by the shareholders of First Community; provided, however, that after such approvals no such amendment shall reduce the value of or change the form of the consideration to be delivered to each of First Community's shareholders as contemplated by the Agreement, unless such amendment is subject to the obtaining of the approval of the amendment by the shareholders of First Community and such approval is obtained. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto which expressly states its intention to amend this Agreement.

8.4 Waiver. Any term, condition or provision of this Agreement may be waived in writing at any time by the party which is, or whose shareholders are, entitled to the benefits thereof.

8.5 Restructuring. The parties hereto agree that First Community and the Bank shall execute and deliver such amendments or revisions to this Agreement as may be necessary to restructure or modify the structure of the transaction in order to achieve any tax benefit or accounting treatment as RBC shall determine to be advisable, provided that such amendment or restructuring shall not reduce the consideration payable to shareholders of First Community.

ARTICLE IX

GENERAL PROVISIONS

9.1 Investigation; Survival of Agreements. No investigation by the parties hereto made heretofore or hereafter shall affect the representations and warranties of the parties which are contained herein and each such representation and warranty shall survive such investigation. All agreements in this Agreement of either First Community and Bank or RBC and Acquisition or in any instrument delivered by either First Community and Bank or RBC and Acquisition pursuant to this Agreement shall survive the Effective Time for a period of two years.

9.2 Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly received (i) on the date given if delivered personally or by telecopier, cable, telegram or telex or (ii) on the date received if sent by overnight delivery service or if mailed by registered or certified mail (return receipt requested), to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

- (a) if to RBC or Acquisition:

Vernon Smith
Riverside Banking Company
1600 South Federal Highway
Ft. Pierce, Florida 34930

Copy to:

David Baris, Esq.
Kennedy & Baris, L.L.P.
Suite P-15
4701 Sangamore Road
Bethesda, Maryland 20816

(b) if to First Community or Bank:

Timothy W. Engler
First Community Bank Holding Corporation
21 S. Charles Richard Beall Blvd.
De Bary, Florida 32713

Copy to:

Jack Greeley, Esq.
Attorney at Law
Smith Mackinnon, PA
Suite 800
255 South Orange Avenue
Orlando, FL 32801

9.3 Material Adverse Change. Notwithstanding anything to the contrary contained herein, the term "material adverse change" or "material adverse effect" or words of similar import, shall not include the impact of: (i) changes, after the date hereof, in laws of general applicability or interpretations thereof by courts or governmental authorities; or (ii) changes, after the date hereof, in generally accepted accounting principles or regulatory principles generally applicable to banks.

9.4 Severability. Any invalidity, illegality or unenforceability of any provision of this Agreement in any jurisdiction shall not invalidate or render illegal or unenforceable the remaining provisions hereof in such jurisdiction and shall not invalidate or render illegal or unenforceable such provision in any other jurisdiction.

9.5 Headings. The headings of the Articles and Sections of this Agreement are for convenience of reference only and shall not be deemed to be a part of this Agreement.

9.6 Attorneys' Fees. In any action or proceeding brought to enforce any provision of this Agreement, or where any provision hereof is validly asserted as a defense, the successful party shall be entitled to recover reasonable attorneys' fees in addition to any other remedy.

9.7 Miscellaneous. This Agreement (including exhibits, documents and instruments referred to herein)

(a) together with all disclosure letters, schedules, exhibits, documents and instruments attached hereto or required to be delivered herewith, or at or prior to Closing, constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof;

(b) is not intended to confer upon any person not a party hereto any rights or remedies hereunder;

(c) shall not be assigned by operation of law or otherwise;

[Signatures appear on following page]

(d) shall be governed in all respects by the laws of the State of Florida without regard to the choice of laws provisions thereof; and

(e) may be executed in two or more counterparts which together shall constitute a single agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective officers thereunto duly authorized and their respective corporate seals to be affixed hereto, all as of the date first written above.

ATTEST: [SEAL]

RIVERSIDE BANKING COMPANY

Alan S. Polackwich Sr.
Name: Alan S. Polackwich Sr.
Title: Secretary

By: [Signature]
Name: Michael D. San-Jit
Title: Pres.

ATTEST: [SEAL]

RBC ACQUISITION, INC.

William G. Tison
Name: William G. Tison
Title: Secretary

By: [Signature]
Name: William G. Tison
Title: Pres.

ATTEST: [SEAL]

FIRST COMMUNITY BANK HOLDING CORPORATION

William G. Tison
Name: William G. Tison
Title: Secretary

By: [Signature]
Name: Timothy W. Englert
Title: President and CEO

ATTEST: [SEAL]

FIRST COMMUNITY BANK

William G. Tison
Name: William G. Tison
Title: Secretary

By: [Signature]
Name: Timothy W. Englert
Title: President and CEO

(d) shall be governed in all respects by the laws of the State of Florida without regard to the choice of laws provisions thereof; and

(e) may be executed in two or more counterparts which together shall constitute a single agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective officers thereunto duly authorized and their respective corporate seals to be affixed hereto, all as of the date first written above.

ATTEST: [SEAL]

RIVERSIDE BANKING COMPANY

Name:
Title: Secretary

By: _____
Name: _____
Title: _____

ATTEST: [SEAL]

RBC ACQUISITION, INC.

Name: William G. Tison
Title: Secretary

By: _____
Name: _____
Title: _____

ATTEST: [SEAL]

FIRST COMMUNITY BANK HOLDING CORPORATION




Name: William G. Tison
Title: Secretary CFO

By: 

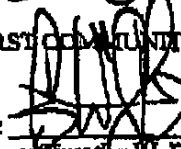
Name: Timothy W. Englert
Title: President and CEO

ATTEST: [SEAL]

FIRST COMMUNITY BANK



Name: William G. Tison
Title: Secretary CFO

By: 

Name: Timothy W. Englert
Title: President and CEO

EXHIBIT B

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
FIRST COMMUNITY BANK HOLDING CORPORATION**

ARTICLE I

The name of the corporation shall be "First Community Bank Holding Corporation" and its principal offices shall be located at, and its mailing address shall be, 21 S. Charles Richard Beall Boulevard, DeBary, Florida 32715.

ARTICLE II

The corporation is organized for the purpose of engaging in any lawful activity for which corporations may be organized under Florida law.

ARTICLE III

The term for which the corporation shall exist shall be perpetual.

ARTICLE IV

The aggregate number of all classes of stock which the corporation shall have authority to issue shall be one thousand shares (1,000), all of which shall be common stock, par value \$.01 per share.

The holders of the capital stock of the corporation shall not have any preemptive or preferential rights to purchase or otherwise acquire any shares of any class of capital stock of the corporation, whether now or hereafter authorized, except as the Board of Directors may specifically provide.

ARTICLE V

The street address of the registered office of the corporation is 4100 30th Street, Vero Beach, Florida 32960, and the name of the registered agent is Alan S. Polachnick.

ARTICLE VI

The provisions of section 607.0901 of the Florida Business Corporation Act, relating to affiliate transactions, and section 607.0902 of the Florida Business Corporation Act, relating to control share acquisitions, as each may now exist or hereafter be amended, shall not be applicable to the corporation.

ARTICLE VII

The number of directors constituting the entire board shall be not less than one (1) nor more than fifteen (15), the exact number of which as may be fixed from time to time by a vote of a majority of the directors then in office, provided that the number of directors shall not be reduced so as to shorten the term of any director then in office, and further provided that the number of directors shall be one (1) until otherwise fixed by a majority of the board.

ARTICLE VIII

To the fullest extent permitted by Florida law, as it now exists or as it may hereafter be amended or supplemented, the corporation shall indemnify any and all persons it shall have the power to indemnify under such law, from and against any and all expenses, liabilities, fines, judgments or other payments permitted thereby. Such indemnification shall not be deemed to be exclusive of any other indemnification to which such persons may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors, or otherwise.

**FIRST COMMUNITY BANK HOLDING CORPORATION
CERTIFICATE OF ACCEPTANCE OF REGISTERED AGENT**

Having been named as registered agent to accept service of process for First Community Bank Holding Corporation, the undersigned hereby agrees to act in such capacity, and further agrees to comply with the provisions of all statutes relative to the proper and complete performance of the undersigned's duty, and accepts the obligations and duties of Section 607.0501, Florida Statutes.


Alan S. Polackwich