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MESSER AND RAY
ATTORNEYS

A PARTNERSHIP OF PROFESSIONAL ASSOCIATIONS
RIVERSIDE BANK BLDG.
8000 S. U. S. 1, SUITE 400
PORT ST. LUCIE, FLORIDA 34952-2385

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June 9, 1998

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Division of Corporations
State of Florida
P. O. Box 6327
Tallahassee, FL 32314

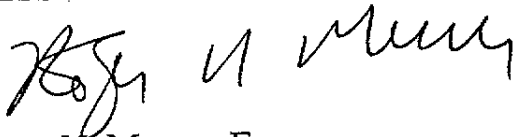
Re: Atlantic Coast Financial Corp.

Dear Sirs:

Enclosed herewith for filing please find original Articles of Incorporation for the above-referenced corporation. Also enclosed is a check in the amount of \$122.50 to cover the cost of this filing. Please return a filed copy to this office.

Sincerely,

MESSER AND RAY



Roger N. Messer, Esq.

RNM:jak
Enclosures

FILED
98 JUN 12 PM 1:52
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

BR 6/15/98

ARTICLES OF INCORPORATION
OF
ATLANTIC COAST FINANCIAL CORP.

FILED
98 JUN 12 PM 1:52
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The undersigned subscriber to these Articles of Incorporation, desiring to form a corporation under the laws of the State of Florida, does hereby accept all of the rights and privileges, benefits and obligations conferred and imposed by said laws and does hereby adopt the following Articles of Incorporation as the Charter of the Corporation hereby organized.

ARTICLE I

NAME

The name of the Corporation shall be ATLANTIC COAST FINANCIAL
CORP.

ARTICLE II

DURATION

This Corporation shall have perpetual existence, commencing upon the filing of these Articles of Incorporation with the Department of State, State of Florida.

ARTICLE III

PURPOSES AND POWERS

Section 1. This Corporation is organized for the purpose of engaging in all lawful businesses permitted to a corporation organized under the Florida General Corporation Law, as in effect from time to time.

Section 2. The Corporation shall have all the powers set forth in the Florida General Corporation law, as in effect from time to time, and including but not limited to the following powers:

(a) To construct, erect, repair and remodel buildings and structures of all types for itself and others and to manufacture, purchase or otherwise acquire; and to own, mortgage, pledge, sell, assign, transfer or otherwise dispose of, and to invest in, property and services of every class, kind and description; except that it is not to conduct a banking, safe deposit, trust, insurance, surety, express, railroad, canal, telephone, telegraph or cemetery company, a building and loan association, mutual fire insurance association, cooperative association, fraternal benefit society, state fair or exposition.

(b) To act as broker, agent or factor for any person, firm or corporation.

(c) To purchase, lease or otherwise acquire real and personal property and leaseholds thereof and interest therein, and to own, hold, manage, develop, improve, equip, maintain and operate, and to sell, convey, exchange, lease or otherwise

alienate and dispose of, and to mortgage, pledge or otherwise encumber any and all such property and any an all legal and equitable rights thereunder and interest therein.

(d) To borrow or raise money for any of the purposes of the Corporation and from time to time without limit as to amount to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and nonnegotiable instruments and evidences of indebtedness; and to secure payment thereof and any interest therein by mortgage, pledge, creation of a security interest, conveyance or other assignment in trust, in whole or in part, of the assets of the Corporation, real, personal or mixed, including contract rights, whether at the time owned or thereafter acquired.

(e) To guarantee, endorse, purchase, hold, sell, transfer, mortgage, pledge or otherwise acquire or dispose of the shares of the capital stock of or any bonds, security, or other evidences of indebtedness created by any other corporation of the State of Florida or any other state or government, and while owner of such stock to exercise all the rights, powers and privileges of ownership, including the right to vote such stock.

(f) To enter into, make, perform and carry out contracts and arrangements of every sort and kind which may be necessary or convenient for the business of the Corporation or business of a similar nature with any person, firm, corporation,

association or syndicate or any private, public or municipal body existing under the government of the United States or any state, territory, colony or dependency thereof or foreign government so far as or to the extent that the same may be done or performed pursuant to law.

(g) To enter into or become a partner in any agreement for sharing profits, union of interest, cooperation, joint venture or otherwise with any person, firm or corporation now carrying on or about to carry on any business which this Corporation has the direct or incidental authority to pursue.

(h) To include in its Bylaws any regulatory or restrictive provisions relating to the proposed sale, transfer or other disposition of any of its outstanding stock by and of its Shareholders or in the event of the death of any of its Shareholders. The manner and form as well as all relevant terms, conditions and details hereof shall be determined by the Shareholders of this Corporation; provided, however, that no such regulatory or restrictive provision shall affect the rights of third parties without actual knowledge thereof, unless such provision shall be noted upon the certificate evidencing the ownership of said stock.

(i) In general, to do any and all of the acts and things herein set forth to the same extent as natural persons could do and in any part of the world as principal, factor, agent, contractor, broker, or otherwise, either alone or in company with any entity or individual; to establish one or more offices, both within the State of Florida

and any part or parts of the world, at which meetings of directors may be held and all or any part of the Corporation's business may be conducted; and to exercise all or any of its corporate powers and rights in the State of Florida and in any and all other states, territories, districts, dependencies, colonies or possessions in the United States of America and in any foreign countries.

(j) To do everything necessary, proper, advisable or convenient for the accomplishment of any of the purposes of the attainment of any of the objects or the furtherance of any of the powers herein set forth, and to do every other act and thing incidental thereto or connected therewith, to the extent permitted by law.

ARTICLE IV

CAPITAL STOCK AND DIVIDENDS

The amount of capital stock authorized shall consist of One Hundred (100) shares of common voting stock having no par value, or in other property, tangible or intangible, or in labor or services actually performed for the Corporation at a just valuation to be fixed by the Board of Directors or the shareholders of this Corporation. The capital stock of the Corporation may at any time be increased or decreased as provided by the laws of Florida. The holders of the outstanding capital stock shall be entitled to receive, when and as declared by the Board of Directors, dividends payable either in cash or in property solely out of the unreserved and unrestricted earned surplus of the Corporation, and dividends payable in shares of the

capital stock of the Corporation solely out of any unreserved and unrestricted surplus of the Corporation, as provided by Florida law.

ARTICLE V

SHARES NOT TO BE DIVIDED INTO CLASSES

The shares of capital stock of the Corporation are not to be divided into classes.

ARTICLE VI

NO SHARES ISSUED IN SERIES

The shares of the capital stock of the Corporation are not to be issued in series.

ARTICLE VII

NO PRE-EMPTIVE RIGHTS

No holder of shares of the capital stock of any class of the Corporation shall have any pre-emptive or preferential right of subscription to any shares of any class of stock of the Corporation, whether now or hereafter authorized, or to any obligations convertible into stock of the Corporation, issued or sold, nor any right of subscription to any thereof other than such, if any, as the Board of Directors in its discretion may from time to time determine and at such price as the Board of Directors may from time to time fix; and any share of stock or convertible obligations which the Corporation may determine to offer for subscription to the holders of stock may as the Board of Directors shall determine be offered to more

than one class of stock, in such proportions as between said classes of stock as the Board of Directors in its discretion may determine. As used in this paragraph, the expression "convertible obligations" shall include any notes, bonds or other evidences of indebtedness to which are attached or with which are issued warrants or other rights to purchase stock of the Corporation of any class or classes; and the Board of Directors is hereby expressly authorized in its discretion in connection with the issue of any obligations or stock of the Corporation (but without intending hereby to limit its general power so to do in any other cases) to grant rights or options to purchase stock of the Corporation of any class upon such terms and during such periods as the Board of Directors shall determine, and to cause such rights or options to be evidenced by such warrants or other instruments as it may deem advisable.

ARTICLE VIII

INITIAL CORPORATE ADDRESS AND INITIAL REGISTERED OFFICE AND AGENT

The initial street address of the Corporation is 2531 SW Dallas Street, Port St. Lucie, Florida 34953 and the mailing address is the same. The street address of the initial registered office of this Corporation is 2531 SW Dallas Street, Port St. Lucie, Florida 34953 and the name of the initial registered agent of this Corporation at that address is William Olensky.

ARTICLE IX

INITIAL BOARD OF DIRECTORS

This Corporation shall have three Directors initially. The number of directors may be either increased or decreased from time to time by action in accordance with the provisions of the Bylaws. The names and address of the initial Directors of this Corporation are:

JOHN PISA, President

JEANETTE SCOTT, Vice-President/Treasurer

WILLIAM OLENSKY, Secretary

ARTICLE X

INCORPORATOR

The name and address of the Incorporator of this Corporation is:

William Olensky, 2531 SW Dallas Street, Port St. Lucie, Florida 34953.

ARTICLE XI

INDEMNIFICATION

The Corporation shall indemnify any officer, director or employee of the Corporation, or any former officer, director or employee of the Corporation, to the full extent permitted by and as set forth in the Florida General Corporation Law.

ARTICLE XII

AMENDMENT

Unless otherwise set forth herein, the Corporation reserves the right, in accordance with the Florida General Corporation Law, to amend, alter, modify or repeal any provision or provisions contained in these Articles of Incorporation, or any amendment hereto, and any right conferred upon the Shareholders is subject to this reservation.

ARTICLE XIII

PROVISIONS FOR REGULATION OF THE INTERNAL AFFAIRS OF THE CORPORATION

For the regulation of the business and for the conduct of the affairs of the Corporation, to create, divide, limit and regulate the powers of the Corporation, the Directors and the Shareholders, provision is made as follows:

(a) General authority is hereby conferred upon the Board of Directors of the Corporation, except as the Shareholders may otherwise from time to time provide or direct, to fix the consideration for which the shares of stock of the Corporation shall be issued and disposed of, and to provide when and how such consideration shall be paid.

(b) Meetings of the Incorporators, of the Shareholders and of the Directors of the Corporation, for all purposes, may be held at any place, either inside or outside of the State of Florida.

(c) All corporate powers, including the sale, mortgage, hypothecation and pledge of the whole or any part of the corporate property shall be exercised by the Board of Directors, except as otherwise expressly provided by law.

(d) The Board of Directors shall have power from time to time to fix and determine and vary the amount of the working capital of the Corporation and direct and determine the use and disposition of any surplus or net profits over and above the capital stock paid in, and in its discretion the Board of Directors may use and apply any such surplus or accumulated profits in purchasing or acquiring bonds or other obligations of the Corporation or shares of its own capital stock to such extent, in such manner and upon such terms and the Board of Directors may deem expedient.

(e) The Board of Directors shall have the power of fixing the compensation by way of salaries and/or bonuses, and/or pensions of the employees, the agents, the officers and directors, all or each of them, in such sum and form and amount as may seem reasonable in and by their discretion.

(f) The Board of Directors may designate from their number an executive committee which shall, for the time being, in the intervals between meetings of the Board and to the extent provided by the Bylaws and authorized by law, exercise the powers of the Board of Directors in the management of the affairs and business of the Corporation.

(g) Any one or more or all of the Directors may be removed either with or without cause, at any time by the vote of the Shareholders holding a majority of the stock entitled to vote of the Corporation by any special meeting, and thereupon the term of each Director or Directors who shall have been so removed shall forthwith terminate and there shall be a vacancy or vacancies in the Board of Directors, to be filled as provided by the Bylaws.


(h) Any officers of the Corporation may be removed either with or without cause, at any time, by vote of a majority of the Board of Directors.

(i) No contract or other transaction between the Corporation and any other corporation shall be affected or invalidated by the fact that any one or more of the Directors or officers of this Corporation is or are interested in or is a director or officer or are directors or officers of such other corporation, nor shall such contract or other transaction be affected by the fact that the Directors or officers of the Corporation are personally interested therein. Any Director or Directors, officer or officers, individually or jointly, may be a party or parties to or may be interested in any contract or transaction of or with this Corporation or in which this Corporation is interested; and no contract, act or transaction of this Corporation with any persons or persons, firm, association or corporation shall be affected or invalidated by the fact that any Director or Directors or officer or officers of this Corporation is a party or are parties to, or interested in such contract, act or transaction or in any way

connected with such person or persons, firm, associations or corporation. Each and every person who may become a director or officer of this Corporation is hereby relieved, as far as it legally permissible, from any disability which might otherwise prevent him from contracting with the Corporation for the benefit of himself or of any fir, association or corporation in which he may be in anywise interested.

(j) Subject always to bylaws made by the Shareholders, the Board of Directors may make bylaws and from time to time alter, amend or repeal any bylaws, but any bylaws made by the Board of Directors may be altered or repealed by the Shareholders.

IN WITNESS WHEREOF, the above named incorporator has hereunto subscribed his name this 9th day of June, 1998.



WILLIAM OLENSKY
Incorporator

STATE OF FLORIDA

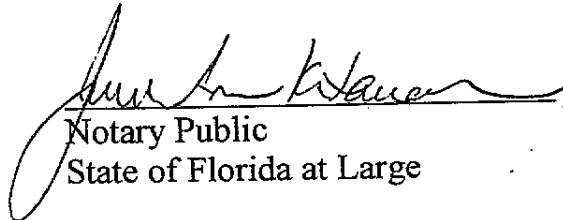
COUNTY OF ST. LUCIE

BEFORE ME, the undersigned officer, this day personally appeared WILLIAM OLENSKY, to me well known and well known to me to be the person described in and who subscribed his name to the foregoing Articles of Incorporation

and acknowledged before me that he executed said Articles of Incorporation for the uses and purposes therein expressed.

WITNESS my hand and official seal at the County and State aforesaid this

9th day of June, 1998.

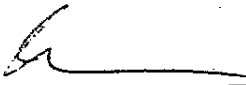

Notary Public
State of Florida at Large

My Commission expires



ACCEPTANCE OF APPOINTMENT
AS REGISTERED OFFICE AND AGENT

The undersigned, hereby accepts appointment as Registered Agent of
ATLANTIC COAST FINANCIAL CORP., a Florida Corporation, 2531 SW Dallas
Street, Port St. Lucie, Florida 34953, and agrees to keep his office open in
connection with the Florida General Corporation Act.



WILLIAM OLENSKY