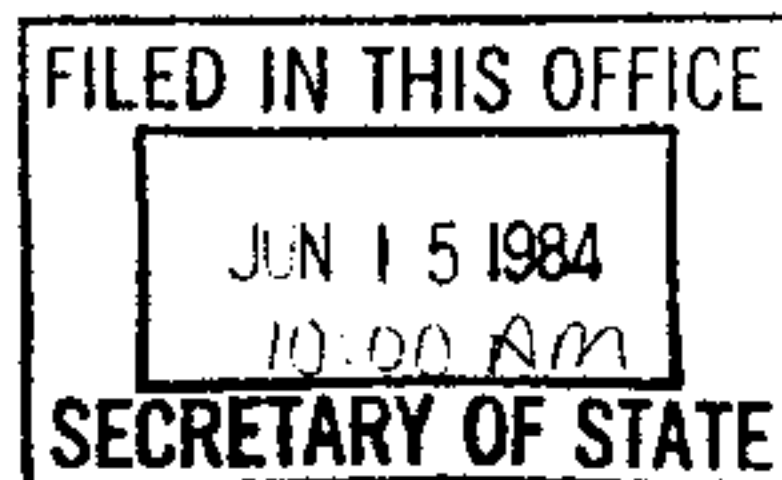


683
ARTICLES OF MERGER
OF
FIRST AMERICAN INTERIM BANK
INTO
FIRST AMERICAN BANK OF PELHAM



Pursuant to the provisions of Section 10-2A-143 of the Alabama Business Corporation Act, the undersigned corporations adopt the following Articles of Merger for the purpose of merging into a single corporation:

1. The attached Plan of Merger was approved by each of the corporations in a manner prescribed by the Alabama Business Corporation Act.
2. There were 250 shares of Common Stock, par value \$40 per share, of First American Interim Bank issued and outstanding on March 29, 1984, and there were 70,000 shares of Common Stock, par value \$7.50 per share, of First American Bank of Pelham issued and outstanding on March 30, 1984.
3. On March 29, 1984, all 250 shares of Common Stock of First American Interim Bank were voted for the Plan of Merger; and on May 30, 1984, 55,284 shares of Common Stock of First American Bank of Pelham were voted for the Plan of Merger and 752 shares of Common Stock of First American Bank of Pelham were voted against the Merger.
4. The Articles of Incorporation for both First American Bank of Pelham and First American Interim Bank were filed with Shelby County, Alabama.

Dated this 30th day of May, 1984.

FIRST AMERICAN BANK OF PELHAM

By: Charles E. Martin
Charles E. Martin, President

By: William E. Bush
William E. Bush, Cashier

FIRST AMERICAN INTERIM BANK

By: Charles E. Martin
Charles E. Martin, President

By: William E. Bush
William E. Bush, Cashier

Ms. Ann V. Butterworth
Bone & Crawford
Vanderbilt Plaza, Suite 900
2111 West End Avenue
Nashville, Tennessee 37203


AFFIDAVIT

**STATE OF ALABAMA
COUNTY OF SHELBY**

To the Secretary of State for the State of Alabama:


This is to certify that the undersigned, Charles E. Martin, President of First American Bank of Pelham, and one of the officers executing these Articles of Merger, has examined these Articles of Merger and has found them to accurately and truthfully state the information as required by Section 10-2A-143 of the Alabama Business Corporation Act.

This the 30th day of May, 1984.


Charles E. Martin, President

**STATE OF ALABAMA
COUNTY OF SHELBY**

I, the undersigned, a Notary Public, do hereby certify that on this the 30th day of May, 1984, personally appeared before me Charles E. Martin, who, being by me first duly sworn, declared that he is the President of First American Bank of Pelham, and that he signed the foregoing document as the President of the Corporation, and that the statements therein contained are true.


Notary Public

My commission expires: 3-6-88

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AFFIDAVIT

**STATE OF ALABAMA
COUNTY OF SHELBY**

To the Secretary of State for the State of Alabama:

This is to certify that the undersigned, Charles E. Martin, President of First American Interim Bank, and one of the officers executing these Articles of Merger, has examined these Articles of Merger and has found them to accurately and truthfully state the information as required by Section 10-2A-143 of the Alabama Business Corporation Act.


This the 30th day of May, 1984.


Charles E. Martin, President

BOOK 26 PAGE 58

**STATE OF ALABAMA
COUNTY OF SHELBY**

I, the undersigned, a Notary Public, do hereby certify that on this the 30th day of May, 1984, personally appeared before me Charles E. Martin, who, being by me duly sworn declared that he is the President of First American Interim Bank, and that he signed the foregoing document as President of the Corporation, and that the statements therein contained are true.


Notary Public

My commission expires: 3-6-88

REORGANIZATION AND MERGER AGREEMENT

THIS REORGANIZATION AND MERGER AGREEMENT (the "Agreement") is made and entered into as of the 29th day of March, 1984, among FIRST AMERICAN BANK OF PELHAM (the "Bank"), a bank organized under the laws of the State of Alabama, FIRST AMERICAN BANCSHARES, INC. (the "Holding Company"), an Alabama corporation, and FIRST AMERICAN INTERIM BANK ("Interim"), a bank organized under the laws of the State of Alabama.

WITNESSETH:

WHEREAS, the principal offices of the Bank, the Holding Company, and Interim are located at 3000 Highway 31 South, Pelham, Shelby County, Alabama; and

WHEREAS, the authorized capital stock of the Bank consists of 100,000 shares of Common Stock ("Bank Stock"), \$7.50 par value, of which 70,000 shares are issued and outstanding; and

WHEREAS, the authorized capital stock of the Holding Company consists of 100,000 shares of Common Stock ("Holding Company Stock"), \$7.50 par value, of which 134 shares are issued and outstanding; and

WHEREAS, the authorized capital stock of Interim consists of 250 shares of Common Stock ("Interim Stock"), \$40.00 par value, of which 250 shares are issued and outstanding; and

WHEREAS, the respective Boards of Directors of the Bank and Interim deem it advisable and in the best interests of the Bank and Interim and their respective shareholders that Interim be merged with and into the Bank and, by resolutions duly adopted, have approved and adopted this Agreement and directed that it be submitted to the respective shareholders of the Bank and Interim for their approval; and

WHEREAS, the Board of Directors of the Holding Company has approved and adopted this Agreement, and the Holding Company has agreed to join in and be bound hereby and to issue the shares of Holding Company Stock which Alabama resident shareholders of the Bank owning at least 40 shares of Bank Stock will receive upon consummation of the reorganization and merger as herein provided;

NOW, THEREFORE, in consideration of the premises, mutual covenants and agreements herein contained, and for the purpose of stating the method, terms and conditions of the reorganization and merger provided for herein, the mode of carrying the same into effect, the manner and basis of converting and exchanging the shares of Bank Stock and Interim Stock as hereinafter provided, and such other provisions relating to the reorganization and merger as the parties deem necessary or desirable, the parties hereto agree as follows:

Section 1.

Reorganization

Pursuant to the applicable provisions of Chapter 7A of the Alabama Banking Code, Code of Alabama, Sections 5-7A-1 et seq. (the "Act"), and any other applicable provisions of Alabama law, Interim shall be merged with and into the Bank. The Bank, an Alabama state bank, shall be the survivor of the merger (the "Resulting Bank") and shall continue under the name "First American Bank of Pelham."

Section 2.

Effective Date of the Reorganization

The merger of Interim with and into the Bank and the reorganization of the Bank into a holding company structure shall be effective as of the date (the "Effective Date of the Reorganization") specified in the certificate of merger to be issued by the Superintendent of Banks for the State of Alabama in accordance with the Act, Section 5-7A-4.

Since the merger of Interim with and into the Bank will effect the reorganization of the Bank into a holding company structure, such merger and reorganization, collectively, shall hereinafter be referred to as the "Reorganization."

Section 3.

Location, Articles and By-laws, Management and Capital Structure of the Resulting Bank

On the Effective Date of the Reorganization:

- (a) The principal office of the Resulting Bank shall be at the principal office of the Bank, 3000 Highway 31 South, Pelham, Shelby County, Alabama.
- (b) The Articles of Incorporation and By-laws of the Resulting Bank shall be the same as the Articles of Incorporation and By-laws of the Bank as in effect immediately prior to the Effective Date of the Reorganization.
- (c) The directors of the Resulting Bank shall be the same as the directors of the Bank immediately prior to the Effective Date of the Reorganization. The name and residence of each such director are set forth on Schedule 1 attached hereto and made a part hereof, and all such directors shall serve until their respective successors are elected or appointed pursuant to the By-laws of the Resulting Bank.

- BOOK 26 PAGE 61
- (d) The officers of the Resulting Bank shall be the same as the officers of the Bank immediately prior to the Effective Date of the Reorganization. The name and residence of each such officer are set forth on Schedule 2 attached hereto and made a part hereof, and all such officers shall serve until their respective successors are elected or appointed pursuant to the By-laws of the Resulting Bank.
 - (e) The Resulting Bank will distribute to the Holding Company an amount equal to all of the capital and surplus of Interim, and the resulting capital structure of the Resulting Bank shall be identical to the capital structure of the Bank immediately prior to the Effective Date of the Reorganization. The amount of authorized capital of the Resulting Bank shall consist of \$750,000, divided into 100,000 shares, \$7.50 par value, of which 70,000 shares shall be issued and outstanding. No shares of preferred stock shall be issued pursuant to the Agreement.

Section 4.

Existence, Rights, Duties, Assets and Liabilities of the Resulting Bank

- (a) As of the Effective Date of the Reorganization, the existence of Interim as a separate entity and its Articles of Incorporation shall automatically terminate.
- (b) As of the Effective Date of the Reorganization, the Resulting Bank shall be considered the same business and corporate entity as the Bank and Interim, with all of the property rights, powers, duties and obligations of the Bank and Interim, except as affected by Alabama law and the Articles of Incorporation and By-laws of the Resulting Bank.
- (c) Any reference to the Bank or Interim in any writing, whether executed or taking effect before or after the reorganization, shall be deemed a reference to the Resulting Bank if not inconsistent with the other provisions of such writing.
- (d) No liability of the Bank or Interim or of any of their shareholders, directors or officers shall be affected by the reorganization, nor shall any lien on any property of the Bank or Interim be impaired by the reorganization. Any claim existing or any action pending by or against the Bank or Interim may be prosecuted to judgment as if the reorganization had not taken place, or the Resulting Bank may be substituted in place of the Bank or Interim.

Section 5.

Manner and Basis of Converting Shares of Interim Stock

The manner and basis of converting shares of Interim Stock into shares of Resulting Bank Stock shall be as follows:

- (a) The 250 shares of Interim Stock issued and outstanding immediately prior to the Effective Date of the Reorganization which are held by the Holding Company shall, by virtue of the reorganization and without any action on the part of the holder thereof be converted into 70,000 shares of Resulting Bank Stock.
- (b) As soon as practicable after the Effective Date of the Reorganization, the Holding Company shall, upon presentation and surrender of the certificate representing such shares of Interim Stock to the Resulting Bank, as Exchange Agent, be entitled to receive in exchange therefor a certificate or certificates representing that number of shares of Resulting Bank Stock determined in accordance with Section 5(a) above. Until so surrendered, the outstanding certificate, which prior to the Effective Date of the Reorganization represented 250 shares of Interim Stock, shall be deemed for all corporate purposes to evidence ownership of 70,000 shares of Resulting Bank Stock.

Section 6.

Manner and Basis of Converting Bank Stock

The manner and basis of converting shares of Bank Stock into shares of Holding Company Stock shall be as follows:

- (a) Each share of Bank Stock outstanding immediately prior to the Effective Date of the Reorganization and held by an Alabama shareholder owning at least 40 shares of Bank Stock shall, by virtue of the reorganization and without any action on the part of the holder(s) thereof, be converted into one share of Holding Company Stock, except as specified in (c) and (d).
- (b) As soon as practicable after the Effective Date of the Reorganization, each Bank shareholder of record as of the close of business on the Effective Date of the Reorganization shall surrender the certificates representing shares of Common Stock of Bank. Alabama resident shareholders owning at least 40 shares of Bank Stock shall receive, except as specified in (d), in exchange shares of Common Stock of Holding Company. Upon the Effective Date of the Reorganization, each certificate held by a bona fide Alabama resident owning at least 40 shares of Bank Stock and which formerly represented shares of Bank Stock will thereafter represent the same number of shares of Holding Company Stock for all corporate purposes, whether or not the Bank Stock certificates have been surrendered in the prescribed manner.

- (c) Non-Alabama resident shareholders and Alabama resident shareholders owning less than 40 shares of Bank Stock will be paid \$18.75 per share of Bank Stock by Holding Company upon the surrender of the stock certificate. Such surrender of the certificate is to occur within three (3) months following the Effective Date of Reorganization. Subsequent to the three (3) month period all certificates which have not yet been surrendered shall be cancelled and the right to receive money in exchange therefore shall cease.
- (d) Shareholders of the Bank asserting dissenters' appraisal rights shall have their rights determined pursuant to Code of Alabama Sections 10-2A-162 and 10-2A-163 and shall be entitled to cash payment pursuant to the terms and provisions of said aforementioned sections.
- (e) For purposes of this Agreement, "Alabama resident shareholder" shall mean
 - (i) a corporation, partnership, trust, or other form of business organization if at the time of the Reorganization it has a principal office within the State of Alabama
 - (ii) an individual if at the time of the Reorganization his principal residence is in Alabama
 - (iii) a corporation, partnership, trust, or other form of business organization which is organized for the specific purpose of acquiring shares of Holding Company shall not be deemed to be a resident of Alabama unless all of the beneficial owners of such organization are residents of Alabama.

Any situations not covered by this subparagraph and subparagraph (f) below shall be interpreted in accordance with Regulation §230.147 of the Securities and Exchange Commission concerning intrastate offerings.
- (f) For a period of nine (9) months following the Effective Date of the Reorganization, all resales of Holding Company stock by any holder thereof shall be made only to Alabama residents.

Section 7.

Redemption of Holding Company Stock

As soon as practicable after the Effective Date of the Reorganization, the Holding Company shall redeem the 134 shares of Holding Company Stock issued upon its organization at a redemption price equal to the same consideration paid for such shares, so that immediately after such redemption the then outstanding shares of Holding Company Stock shall consist solely of the shares to be issued by the Holding Company upon the conversion of shares of Bank Stock as provided herein.

Section 8.

Further Actions

From time to time, as and when requested by the Resulting Bank, or by its successors or assigns, Interim shall execute and deliver or cause to be executed and delivered all such deeds and other instruments, and shall take or cause to be taken all such other actions as the Resulting Bank, or its successors or assigns, may deem necessary or desirable in order to vest in and confirm to the Resulting Bank, and its successors and assigns, title to and possession of all the property rights, powers, duties and obligations referred to in Section 4 hereof and otherwise to carry out the intent and purposes of this Agreement.

Section 9.

Conditions Precedent to Consummation of the Reorganization

This Agreement is subject to, and consummation of the reorganization herein provided for is conditioned upon, the fulfillment prior to the Effective Date of the Reorganization of each of the following conditions;

- (a) Approval of the Agreement by affirmative vote at meetings at which a two-thirds (2/3) majority of the outstanding voting shares of the Bank and Interim are present;
- (b) Approval of the merger of Interim with and into the Bank, pursuant to the Agreement, by the Alabama Superintendent of Banks and the Federal Reserve Bank of Atlanta, and approval of the acquisition of the Bank by the Holding Company, pursuant to the Agreement, by the Board of Governors of the Federal Reserve System;
- (c) Procurement of any other approval, action, consent or ruling, governmental or otherwise which is, or in the opinion of special counsel to the Bank may be, necessary to permit or enable the Resulting Bank, upon and after the reorganization, to conduct all or any part of the business and activities conducted by the Bank prior to the reorganization;

Section 10.

Termination

In the event that:

- (a) The number of shares of Bank Stock voted against the Reorganization shall make consummation of the Reorganization inadvisable in the opinion of the Board of Directors of the Bank, Interim or the Holding Company; or

- (b) Any action, suit, proceeding or claim has been instituted, made or threatened relating to the proposed Reorganization which shall make consummation of the Reorganization inadvisable in the opinion of the Board of Directors of the Bank, Interim or the Holding Company; or
- (c) For any other reason consummation of the Reorganization is deemed inadvisable in the opinion of the Board of Directors of the Bank, Interim or the Holding Company;

then this Agreement may be terminated at any time before consummation of the Reorganization by written notice, approved or authorized by the Board of Directors of the party wishing to terminate, to the other parties. Upon termination by written notice as provided in this Section 11, this Agreement shall be void and of no further effect, and there shall be no liability by reason of this Agreement or the termination hereof on the part of the Bank, Interim, the Holding Company or their directors, officers, employees, agents or shareholders.

Section 11.

Amendment; Waiver

- (a) At any time before or after approval and adoption hereof by the respective shareholders of the Bank and Interim, this Agreement may be amended, modified or supplemented as may be determined in the judgment of the respective Boards of Directors of the parties hereto to be necessary, desirable or expedient to further the purposes of this Agreement, to clarify the intention of the parties hereto, to add or modify the terms or conditions contained herein or to effectuate or facilitate any governmental approval of the Reorganization or of this Agreement, or otherwise to effectuate or facilitate the consummation of the transactions contemplated hereby; provided, however, that after the approval and adoption of this Agreement by the shareholders of the Bank, no amendment changing the exchange ratios and cash payments to be made under Section 6 hereof shall be valid without having been approved by the shareholders of the Bank in the manner required for approval of this Agreement.
- (b) A waiver by any party hereto of any breach of a term or condition of this Agreement shall not operate as a waiver of any other breach of such term or condition or of other terms or conditions, nor shall failure to enforce any term or condition operate as a waiver of such term or condition nor be deemed to be a waiver or release of any other right, in law or at equity, or claim which any party may have against another party for anything arising out of, connected with or based upon this Agreement. A waiver shall be effective only if evidenced by a writing signed by the party who is entitled to the benefit of the term or condition of this Agreement which is to be waived. A waiver of a term or condition on one occasion shall not be deemed to be a waiver of the same or of any other term or condition on a future occasion.

Section 12.

Counterparts; Headings; Governing Law

This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The title of this Agreement and the headings set forth herein are for convenience of reference only and shall not be deemed a part of this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama.

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

FIRST AMERICAN BANK OF PELHAM

By: Charles E. Martin
CHARLES E. MARTIN,
President

ATTEST:

William E. Smith
Cashier

FIRST AMERICAN INTERIM BANK

By: Charles E. Martin
CHARLES E. MARTIN,
President

ATTEST:

William E. Smith
Cashier

FIRST AMERICAN BANCSHARES, INC.

By: Charles E. Martin
CHARLES E. MARTIN,
President

ATTEST:

William E. Smith
Secretary

SCHEDULE 1

**BOARD OF DIRECTORS
FIRST AMERICAN BANK OF PELHAM**

**Charles E. Martin
Birmingham, Alabama**

**R. W. Currin
Chelsea, Alabama**

**M. Jack Beasley, Jr.
Birmingham, Alabama**

**Samuel E. Noble
Scottsboro, Alabama**

**Dr. Harry L. Phillips
Columbiana, Alabama**

**Sam S. Plant, Jr.
Leeds, Alabama**

**Mack Sanders
Helena, Alabama**

**Thomas W. Stubbs, Jr.
Helena, Alabama**

**Kenneth L. Williams
Pelham, Alabama**

SCHEDULE 2

**PRINCIPAL OFFICERS
FIRST AMERICAN BANK OF PELHAM**

Charles E. Martin
Chairman of the Board, President
Birmingham, Alabama

R. W. Currin
Executive Vice President
Chelsea, Alabama

William E. Bush
Vice President and Cashier
Hoover, Alabama

SUPERINTENDENT OF BANKS
STATE OF ALABAMA
MONTGOMERY, ALABAMA

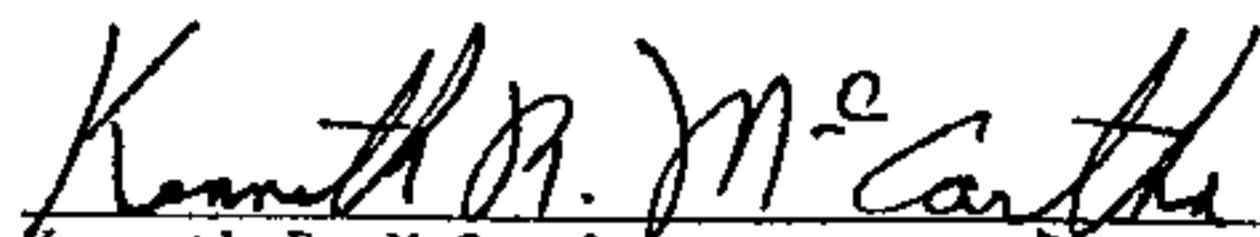
CERTIFICATE OF APPROVAL OF BANK MERGER

WHEREAS, satisfactory evidence has been presented to the Superintendent of Banks of the State of Alabama, including certificates of all proceedings, showing that all requisite legal and corporate actions have been taken by First American Bank of Pelham located at Pelham, Alabama, and First American Interim Bank of Pelham located at Pelham, Alabama, in accordance with Sections 10-2A-140, 10-2A-142, 10-2A-143, and 5-7A-3, Code of Alabama 1975, to merge those two state banking institutions in accord with their Plan of Merger and Merger Agreement dated March 29, 1984, the continuing bank to operate under the Articles of Incorporation and title of First American Bank of Pelham; said merger to become effective upon the filing of this Certificate and the Articles of Merger with the Secretary of State of Alabama;

NOW, THEREFORE, IT IS HEREBY FOUND that the merger would be for the best interest of the institutions affected and IT IS HEREBY CERTIFIED that the entire proceedings of the merger are approved in all respects on this the 14th day of June, 1984.

IN TESTIMONY WHEREOF, WITNESS my signature and the official seal of office on this 14th day of June, 1984.




Kenneth R. McCartha
Superintendent of Banks
State of Alabama



STATE OF ALABAMA

I, Don Siegelman, Secretary of State, of the State of Alabama, having custody of the Great and Principal Seal of said State, do hereby certify that duplicate originals of Articles of Merger merging First American Interim Bank into First American Bank of Pelham, both Alabama corporations

duly signed and verified pursuant to the provisions of Section 10-2A-143, Code of Alabama, 1975, have been received in this office and are found to conform to law. Accordingly the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Merger merging First American Interim Bank into First American Bank of Pelham

and attaches hereto a duplicate original of the Articles of Merger.

In Testimony Whereof, I have hereunto set my hand and affixed the Great Seal of the State, at the Capitol, in the City of Montgomery, on this day.

June 15, 1984

Date

Don Siegelman

Secretary of State



Secretary of State
State of Alabama

I hereby certify that this
is a true and complete copy of
the document filed in this office
on June 15, 1984

Dated 6/15/84

Secretary of State
Don Singalman

Don Singalman

State of Alabama

SHELBY

County

CERTIFICATE OF MERGER

OF

FIRST AMERICAN INTERIM BANK into FIRST AMERICAN BANK OF PELHAM

The undersigned, as Judge of Probate of SHELBY County, State of Alabama, hereby certifies that duplicate originals of Articles of MERGER of FIRST AMERICAN INTERIM BANK into FIRST AMERICAN BANK OF PELHAM, duly signed and verified pursuant to the provisions of Section 12-2A-143 of the Alabama Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Judge of Probate, and by virtue of the authority vested in him by law, hereby issues this Certificate of MERGER of FIRST AMERICAN INTERIM BANK into FIRST AMERICAN BANK OF PELHAM, and attaches hereto a duplicate original of the Articles of MERGER.

GIVEN Under My Hand and Official Seal on this the 19th day of JUNE, 1984.



STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED
1984 JUN 19 PM 1:12

Thomas A. Brundage, Jr.
JUDGE OF PROBATE

Thomas A. Brundage, Jr.
Judge of Probate

Rec 25.00
Jud 1.00
26.00