FILED IN OFFICE
APR 1 0 1998
SECRETARY OF STATE

Inst # 1998-13776

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, showing that all requisite legal and corporate actions have been taken by Merchants and Planters Bank, located at Montevallo, Alabama, and Peoples Bank and Trust Company, located at Selma, Alabama, in accordance with Sections 10-2B-11.01; 10-2B-11.03; 10-2B-11.05; 5-7A-1; 5-7A-2 and 5-7A-3, Code of Alabama 1975, to merge those two banks in accordance with their Agreement of Merger dated March 9, 1998, the continuing bank to operate under the Articles of Incorporation of Peoples Bank and Trust Company and title of Peoples Bank and Trust Company; said merger is to become effective upon the filing of this Certificate of Approval and 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 9th day of April 1998.

IN TESTIMONY WHEREOF, WITNESS my signature and the official seal of the Superintendent of Banks on this 9th day of April 1998.

Trabo Reed
Deputy Superintendent of Banks

04/17/1998-13776
09:51 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
009 MCD 25.00

ARTICLES OF MERGER
OF
MERCHANTS & PLANTERS BANK
AN ALABAMA BANKING CORPORATION
INTO
THE PEOPLES BANK AND TRUST COMPANY
AN ALABAMA BANKING CORPORATION

Pursuant to the provisions of the Alabama Business Corporation Act and the Alabama Banking Code, the undersigned domestic corporations adopt the following Articles of Merger for the purpose of merging one of such corporations into the other corporation:

FIRST: The names of the undersigned corporations and the counties in which their articles of incorporation are filed are:

Name of Corporation	County
The Peoples Bank and Trust Company	Dallas
Merchants & Planters Bank	Shelby

SECOND: The name of the surviving corporation is The Peoples Bank and Trust Company, and it is to be governed by the laws of the State of Alabama.

THIRD: The Agreement of Merger (the "Agreement"), which is attached hereto, was approved by the shareholders of the undersigned domestic corporations in the manner prescribed by the Alabama Business Corporation Act and the Alabama Banking Code.

FOURTH: As to each of the undersigned corporations, the number of shares outstanding, and the designation and number of outstanding shares of each class entitled to vote as a class on such Agreement, are as follows:

		Entitled to Vote as a Class	
Name of Corporation	Number of Shares Outstanding	Designation of Class	Number of Shares
The Peoples Bank and Trust Company	100,000	Common	100,000
Merchants & Planters Bancshares, Inc.	21,156	Common	21,156

FIFTH: As to each of the undersigned corporations, the total number of shares voted for and against such Agreement, respectively, and, as to each class entitled to vote thereon as a class, the number of shares of such class voted for and against such Agreement, respectively, are as follows:

Name of Corporation	Voted For	Voted Against	Entitled to Vote as a Class: Class	Voted For	Voted Against
The Peoples Bank and Trust Company	100,000	-0-	Common	100,000	-0-
Merchants & Planters Bank	21,156	-0-	Common	21,156	-0-

Dated: April 9, 1998

THE PEOPLES BANK AND TRUST COMPANY

(Corporate Seal)

By: Elam P. Holley, Jr.
President

By: M. Scott Patterson
Secretary

Dated: April 9, 1998

MERCHANTS & PLANTERS BANK

(Corporate Seal)

By: Elam P. Holley, Jr.
President

By: M. Scott Patterson
Secretary

STATE OF ALABAMA)
COUNTY OF DALLAS)

I, the undersigned authority, a Notary Public in and for said State and County, do hereby certify that **ELAM P. HOLLEY, JR.**, and **M. SCOTT PATTERSON**, whose names as President and Secretary, respectively, of **THE PEOPLES BANK AND TRUST**

COMPANY, an Alabama banking corporation, are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day, that being informed of the contents of said instrument, they as such officers and with full authority, executed the same voluntarily for and as the act of said corporation.

GIVEN UNDER MY HAND AND SEAL this the 9 day of April, 1998.

Beverly W. Graham
Notary Public
State of Alabama at Large

(SEAL)

My Commission Expires: 7/29/98

STATE OF ALABAMA)
COUNTY OF DALLAS)

I, the undersigned authority, a Notary Public in and for said State and County, do hereby certify that **ELAM P. HOLLEY, JR.**, and **M. SCOTT PATTERSON**, whose names as President and Secretary, respectively, of **MERCHANTS & PLANTERS BANK**, an Alabama banking corporation, are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day, that being informed of the contents of said instrument, they as such officers and with full authority, executed the same voluntarily for and as the act of said corporation.

GIVEN UNDER MY HAND AND SEAL this the 9 day of April, 1998.

Beverly W. Graham
Notary Public
State of Alabama at Large

(SEAL)

My Commission Expires: 7/29/98

This Instrument Was Prepared By:
GAMBLE, GAMBLE, CALAME & WILSON, L.L.C.
Attorneys at Law
Post Office Box 345
Selma, Alabama 36702-0345

AGREEMENT OF MERGER

THE PEOPLES BANK AND TRUST COMPANY

and

MERCHANTS & PLANTERS BANK

AGREEMENT OF MERGER ("Agreement"), dated as of March 9, 1998, by and between The Peoples Bank and Trust Company, an Alabama commercial bank ("Peoples"), and Merchants & Planters Bank, an Alabama commercial bank ("Merchants"). Pursuant to the Agreement, Merchants will be merged with and into Peoples, with Peoples as the surviving bank.

WITNESSETH

WHEREAS, the Boards of Directors of Peoples and Merchants each believe that it is in the best interests of the banks and their sole shareholder, The Peoples BancTrust Company, Inc. ("BancTrust"), to merge Peoples and Merchants into a single bank in order that the resulting bank may operate with greater operating efficiency and an improved competitive position;

NOW, THEREFORE, in consideration of the mutual covenants, agreements and provisions hereinafter contained, and for the purpose of prescribing the terms and conditions of said merger and the mode of carrying the same into effect, Peoples and Merchants have agreed and do hereby agree and covenant as follows:

ARTICLE I
THE MERGER

In accordance with the provisions of this Agreement and applicable law, as promptly as practicable following the satisfaction or waiver of the conditions set forth in Article VIII hereof, Merchants will be merged with and into Peoples (the "Merger"). At the Effective Time (as defined in Article II of this Agreement), Merchants shall cease to exist and Peoples shall continue its corporate existence as an Alabama commercial bank (hereinafter sometimes referred to as the "Surviving Bank"). The name, identity, rights, privileges, powers, franchises, properties and assets of Peoples shall continue unaffected and unimpaired by the Merger. At the Effective Time, the identity and separate existence of Merchants shall cease, all of the rights, privileges, powers, franchises, properties and assets of Merchants shall be vested in the Surviving Bank, and the Surviving Bank shall be subject to all of the liabilities and obligations of Merchants.

ARTICLE II
EFFECTIVE TIME

The Merger shall become effective at the time, and on the date, specified in the Articles of Merger as filed with the Secretary of State of Alabama in accordance with the applicable provisions of the Alabama Business Corporation Act. Such time and date shall be referred to in this Agreement as the "Effective Time."

ARTICLE III
NAMES OF PARTIES

3.1 Names of the Merging Corporations.

The names of the corporations planning to merge are "The Peoples Bank and Trust Company" and "Merchants & Planters Bank."

3.2 Name of the Surviving Bank.

At and after the Effective Time, the name of the Surviving Bank shall be "The Peoples Bank and Trust Company."

ARTICLE IV
ARTICLES OF INCORPORATION

The Articles of Incorporation of Peoples, as in effect immediately prior to the Effective Time, shall be the Articles of Incorporation of the Surviving Bank until thereafter amended as provided therein and by applicable law.

ARTICLE V
BYLAWS

The Bylaws of Peoples, as in effect immediately prior to the Effective Time, shall be the Bylaws of the Surviving Bank until thereafter amended as provided therein and by applicable law.

ARTICLE VI
DIRECTORS AND OFFICERS

At and after the Effective Time, the directors and officers of the Surviving Bank shall consist of those persons who are serving as directors and officers, respectively, of Peoples as of the Effective Time.

ARTICLE VII
DISPOSITION OF SHARES

7.1 Shares of the Surviving Bank.

The shares of capital stock of Peoples outstanding immediately prior to the Effective Time shall constitute the only outstanding shares of the Surviving Bank at and after the Effective Time.

7.2 Cancellation of Shares of Merchants Capital Stock.

At the Effective Time, by virtue of the Merger and without any action on the part of Peoples or Merchants, each share of (a) the common stock of Merchants, par value $1.00 per share, issued and outstanding at the Effective Time and (b) the Class A preferred stock of Merchants, par value $50.00 per share, issued and outstanding, or held as treasury stock, at the Effective Time shall be cancelled.

ARTICLE VIII
CONDITIONS

The obligations of the parties to effect the Merger shall be subject to the satisfaction of the following conditions at or prior to the Effective Time:

(a) All regulatory approvals and consents required for consummation of the Merger, including, but not limited to, the approvals of the Board of Governors of the Federal Reserve System and the Superintendent of Banks of the State of Alabama, shall have been received, and all statutory or regulatory post-approval waiting periods shall have expired.

(b) BancTrust shall have approved this Agreement and the Merger as the holder of all of the outstanding shares of voting stock of Peoples and Merchants.

ARTICLE IX
AMENDMENT

To the extent permitted by applicable law, this Agreement may be amended at any time before the Effective Time by a written instrument signed by Peoples and Merchants.

ARTICLE X
TERMINATION

This Agreement may be terminated at any time before the Effective Time by a written instrument signed by Peoples and Merchants.

ARTICLE XI
GOVERNING LAW

This Agreement shall be construed and interpreted in accordance with the laws of the State of Alabama applicable to agreements made and entirely to be performed within such jurisdiction.

ARTICLE XII
COUNTERPARTS

This Agreement may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

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

Attest:

M. Scott Patterson

THE PEOPLES BANK AND TRUST COMPANY

By: Richard P. Morthland
Richard P. Morthland, Chairman

Attest:

M. Scott Patterson

MERCHANTS & PLANTERS BANK

By: Richard P. Morthland
Richard P. Morthland, Chairman

Inst # 1998-13776

Gamble Gamble Calame & Wilson LLC
807 Selma Ave
Selma AL 36701

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 4-10-98

DATE 4-10-98

Secretary of State

Inst # 1998-13776

04/17/1998-13776
09:51 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
009 MCD 25.00