

action and property of every kind and description whatsoever, whether real, personal and/or mixed, belonging to SOUTHERN and PELZER-WILLIAMSTON, respectively, shall be vested in and become the property of SOUTHERN, the surviving corporation, to have and to hold the same to the said surviving corporation, its successors and assigns, from the time such merger shall become effective, and forever thereafter, no further act, deed, conveyance or assurance being required in the premises.

7.

All the debts, contracts and liabilities of every nature whatsoever, for which SOUTHERN and PELZER-WILLIAMSTON, respectively, may be liable, either at law or in equity, shall at the time of the said merger be assumed by the said surviving corporation, provided, however, that the rights of creditors and any and all liens upon the property of either of said constituent corporations shall be preserved unimpaired, limited in lien to the property affected by such liens at the time of the merger.

8.

It is an express condition precedent to the effectiveness of this merger agreement that the merger, upon the terms and conditions herein provided and the approval of the operation of branch banks at Pelzer, S. C., West Pelzer, S. C., and Williamston, S. C., must have been approved by the South Carolina State Board of Bank Control and the Federal Deposit Insurance Corporation, and in the event that either or both such agencies should fail to so approve, then this Agreement shall be null and void, anything contained herein to the contrary notwithstanding. In addition, this Agreement is conditioned upon the approval of an amendment to the Charter of SOUTHERN increasing its authorized capital stock in conformity with the provisions of this merger agreement.

9.

Immediately upon the completion of the merger, PELZER-WILLIAMSTON shall be considered and is hereby declared to be completely merged into SOUTHERN within the meaning and intent of Section 12-20.1, et seq. of the Code of Laws of South Carolina, 1962, as amended.

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