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Mortgage South is a corporation duly organized under the laws of the State of South Carolina and has its principal office in Greenville, South Carolina. The amount of authorized capital stock of Mortgage South consists of 30,000 shares of Common Stock of the par value of \$10.00 each, of which 23,000 shares have been issued and are now outstanding.

A majority of the entire Board of Directors of each of the parties hereto has approved this Plan and Agreement of Merger and has authorized the execution hereof in counterparts.

In consideration of the premises, the parties hereto adopt and make this Plan and Agreement of Merger and prescribe the terms and conditions of such merger, the manner and basis of carrying it into effect and other provisions deemed necessary or desirable, which shall be as follows:

1. Mortgage South shall be merged into NCNB Mortgage under the charter of NCNB Mortgage as the surviving corporation, pursuant to and with the effects provided in the applicable provisions of Chapter 55 of the General Statutes of North Carolina and the South Carolina Business Corporation Act of 1962.

2. Upon the merger becoming effective, NCNB Mortgage shall possess all the rights, privileges, immunities, powers and franchises, as well of a public as of a private nature of each of the parties hereto, without the necessity of any formal transfer, deed, bill of sale, endorsement, assignment or other instrument, including without limitation all real estate and interests therein of NCNB Mortgage and Mortgage South, all coin, currency, stocks, bonds, notes, choses in action and other tangible or intangible personal property of NCNB Mortgage and Mortgage South.

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