

and whether or not reflected or reserved against on the balance sheets, books of account, or records of SBT or Sobanco, as the case may be, shall be those of the Continuing Corporation, and shall not be released or impaired by the merger; and all rights of creditors and obligees and all liens on property of either SBT or Sobanco shall be preserved unimpaired.

3. Upon the merger becoming effective:

(a) The shareholders of SBT of record at the time the merger becomes effective, for the shares of common stock of SBT, par value \$1.25 per share, then held by them, respectively, shall be allocated and entitled to receive shares of the common stock of Southern, par value \$2.50 per share, at the rate of one such share of Southern for each 3.5 such shares of the common stock of SBT; and

(b) Shareholders of SBT of record at the time the merger becomes effective, will become and be shareholders of Southern and each shareholder of SBT, upon surrender of his old certificate or certificates of stock of SBT to, and acceptance thereof by Southern, will be entitled to receive and Southern shall promptly issue in exchange therefor a certificate or certificates for the whole number of shares of the common stock of Southern to which such shareholder is entitled pursuant to this Agreement. Detailed instructions regarding the procedures for receiving certificates representing the common stock of Southern will be provided by Southern to each such shareholder of record of SBT.

(c) No fractional shares or interests in the common stock of Southern shall be distributed to shareholders of SBT otherwise entitled to receive such fractional shares. In lieu thereof, Southern shall promptly