

\$10 per share, 100 shares of which are issued and owned by Southern. All of such issued shares of capital stock have been duly and validly authorized and issued and are fully paid and non-assessable.

(b) The shares of Southern which are to be issued to the stockholders pursuant to the terms of the merger will, when so issued, be validly authorized for issue and will be fully paid and non-assessable.

(c) The execution and performance of the merger agreements, and the merger provided for therein by Southern and Sobanco have been fully and validly authorized by proper corporate action and such execution and performance are within Southern's and Sobanco's corporate powers.

9. Consummation of the merger is conditioned upon:

(a) Ratification and confirmation of the Agreement by vote of the shareholders of SBT and Sobanco as required by law and in accordance with the respective Articles of Incorporation and By-Laws of such corporations; and

(b) Obtaining all other consents and approvals, and satisfaction of all other requirements prescribed by law which are necessary for consummation of the merger, including, but not limited to, approvals of the South Carolina State Board of Bank Control under its statement of policy regarding the formation of bank holding companies, adopted December 11, 1968, of the Federal Deposit Insurance Corporation under Section 13(c) of the Federal Deposit Insurance Act, as amended, and of the Federal Reserve Board under the Bank Holding Company Act of 1956, as amended; and

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