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ARTICLES OF MERGER  
OF

#0016361 - THE EXCHANGE BANK OF KENTUCKY  
INTO

PIKEVILLE NATIONAL BANK & TRUST COMPANY

Pursuant to KRS 271B.11-050, Pikeville National Bank & Trust Company, a national banking association (the "Bank"), executes the following articles of merger:

1. The Agreement to Merge attached hereto as Exhibit A was approved by Pikeville National Corporation ("PNC"), a Kentucky corporation, the sole Shareholder of the Bank and The Exchange Bank of Kentucky (the "Merged Bank") in accordance with the banking laws of the United States of America and KRS 287.173.

2. As to the Bank and Merged Bank, the designation, number of shares outstanding, and number of votes entitled to be cast by each voting group entitled to vote separately on such a plan are as follows:

<u>Name of Corporation</u>	<u>Designation and Number of Shares Outstanding</u>	<u>Number of Votes Entitled to be Cast by Voting Group</u>
The Exchange Bank of Kentucky	17 common	17
Pikeville National Bank & Trust Company	285,000 common	285,000

3. On June 11, 1996 PNC, the sole shareholder of the Bank and Merged Bank, adopted and approved the Agreement to Merge pursuant to resolutions adopted by the Board of Directors of PNC, such consent being sufficient for approval.

Dated: December 12, 1996

PIKEVILLE NATIONAL BANK & TRUST COMPANY

BY Jean R. Hale  
Jean R. Hale  
President and CEO

EXAMINED AND APPROVED 30 Jan 97  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
COMMONWEALTH OF KENTUCKY

[Signature]  
COMMISSIONER

THIS INSTRUMENT WAS PREPARED BY:

*Edward A. Receski*

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EXHIBIT A

AGREEMENT TO MERGE

between

THE EXCHANGE BANK OF KENTUCKY

and

PIKEVILLE NATIONAL BANK & TRUST COMPANY

under the charter of

PIKEVILLE NATIONAL BANK & TRUST COMPANY

under the title of

PIKEVILLE NATIONAL BANK & TRUST COMPANY

THIS AGREEMENT made and entered into this 16th day of December, 1996, between THE EXCHANGE BANK OF KENTUCKY (hereinafter referred to as the "Merged Bank"), a banking association organized under the laws of the Commonwealth of Kentucky, being located at Mt. Sterling, county of Montgomery, in the state of Kentucky, with total capital of \$4,589,000 consisting of (i) common stock of \$1,190,000, divided into 17 shares of common stock outstanding, each of \$70,000 par value ("Merged Bank Common Stock"), (ii) surplus of \$2,000,000, (iii) undivided profits, including capital reserves, of \$1,446,000, and (iv) net unrealized holding gains of \$(47,000), all as of March 31, 1996, and PIKEVILLE NATIONAL BANK & TRUST COMPANY (hereinafter referred to as "Surviving Bank"), a banking association organized under the laws of the United States, being located at Pikeville, county of Pike, in the state of Kentucky, with total capital of \$53,437,000, consisting of (i) common stock of \$3,627,000, divided into 285,000 shares of common stock

outstanding, each of \$10.00 par value ("Surviving Bank Common Stock"), (ii) surplus of \$16,587,000, (iii) undivided profits, including capital reserves, of \$33,780,000, and (iv) net unrealized holding gains of \$(557,000), all as of March 31, 1996, each acting pursuant to a resolution of its board of directors, adopted by the vote of a majority of its directors, pursuant to the authority given by and in accordance with the provisions of the Act of November 7, 1918, as amended (12 U.S.C. 215(a)) and state law, as applicable, witnessed as follows:

**SECTION 1.**

The Merged Bank shall be merged into the Surviving Bank (the "Merger") under the charter of the latter.

**SECTION 2.**

The name of the receiving association (hereinafter referred to as the "Association") shall be "Pikeville National Bank & Trust Company".

**SECTION 3.**

The business of the Association shall be that of a national banking association. This business shall be conducted by the Association at its main office which shall be located at 208 North Mayo Trail, Pikeville, Kentucky, and at its legally established branches.

**SECTION 4.**

Upon the completion of the Merger and the other mergers involving the Surviving Bank and six other affiliated banks as set forth in that certain Merger Application filed with the

Office of the Comptroller of the Currency on July 1, 1996 (the "Other Mergers"), and contingent upon the completion of the Merger and the Other Mergers, (i) the amount of capital stock of the Association shall be \$2,850,000, divided into 285,000 shares of common stock outstanding, each of \$10.00 par value, and at the time the Merger shall become effective, the Association shall have (ii) a surplus of \$76,456,000, and (iii) undivided profits, including capital reserves, of \$54,369,000 and (iv) net unrealized holding gains of \$(618,000) for a total combined capital of \$133,057,000, adjusted however, for normal earnings and expenses between March 31, 1996, and the Effective Time (as defined in Section 9 hereof).

#### **SECTION 5.**

All assets as they exist at the Effective Time shall pass to and vest in the Association without any conveyance or other transfer. The Association shall be responsible for all of the liabilities of every kind and description, including liabilities arising from the operation of a trust department, of each of the merging banks existing as of the Effective Time. Richard M. Levy, Vice President of the Merged Bank and Chief Financial Officer and Senior Vice President of the Surviving Bank, at the time of the Merger, shall have satisfied himself, that the statement of condition of each bank as of March 31, 1996, fairly presents its financial condition and since such date there has been no material adverse change in the financial condition or business of any bank.

**SECTION 6.**

Upon consummation of the Merger:

(a) No cash shall be allocated to the shareholders of either party hereto or to any other person, firm or corporation;

(b) Each share of Merged Bank Common Stock held immediately prior to the Merger by Pikeville National Corporation ("PNC"), the sole shareholder of the Merged Bank and the Surviving Bank, shall by virtue of the Merger and without any action on the part of PNC, be cancelled with the amount of Merged Bank Common Stock transferred to surplus of the Association; and

(c) PNC shall retain its present rights in the capital stock of the Association, the presently outstanding 285,000 shares of common stock, each of \$10.00 par value.

**SECTION 7.**

Other than in the ordinary course of business, neither of the banks shall declare nor pay any dividend to its shareholders between the date of this Agreement and the Effective Time, nor dispose of any of its assets in any other manner except in the normal course of business and for adequate value.

**SECTION 8.**

The present board of directors of the Surviving Bank shall continue to serve as the board of directors of the Association until the next annual meeting or until such time as their successors have been elected and have qualified.

**SECTION 9.**

Effective as of the time this Merger shall become effective (as specified in the Merger approval to be issued by the Comptroller of the Currency (the "Effective Time")), the articles of association of the Surviving Bank shall read in their entirety as set forth in Exhibit A attached hereto and incorporated herein by reference.

**SECTION 10.**

This agreement may be terminated by the unilateral action of the board of directors of any participant prior to the approval of the stockholders of the participant or by the mutual consent of the boards of directors of all participants after any shareholder group has taken affirmative action. Since time is of the essence to this agreement, if for any reason the transaction shall not have been consummated by March 31, 1997, this agreement shall terminate automatically as of that date unless extended, in writing, prior to such date by mutual action of the boards of directors of the participants.

**SECTION 11.**

This agreement shall be ratified and confirmed by PNC, the sole shareholder of each of the merging banks, pursuant to action taken by unanimous consent; and the Merger shall become effective at 12:01 a.m. EST on January 1, 1997 as specified in a merger approval to be issued by the Comptroller of the Currency of the United States.

WITNESS, the signatures and seals of said merging banks this







SEE EXHIBIT A ATTACHED TO COMMERCIAL BANK  
OF MIDDLESBORO, KENTUCKY AGREEMENT TO MERGE