

SECURITIES AND EXCHANGE COMMISSION

FORM 424B3

Prospectus filed pursuant to Rule 424(b)(3)

Filing Date: **1994-05-13**
SEC Accession No. **0000950109-94-000852**

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FILER

AMSOUTH BANCORPORATION

CIK: **3133** | IRS No.: **630591257** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **424B3** | Act: **33** | File No.: **033-52961** | Film No.: **94528399**
SIC: **6022** State commercial banks

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BIRMINGHAM AL 35288
2053207151*

[FORTUNE LETTERHEAD]

May 12, 1994

Dear Common and Preferred Shareholders:

On or about April 5, 1994, Fortune mailed to its shareholders of record on March 14, 1994, a Notice of the 1994 Annual Meeting of Shareholders and an accompanying Proxy Statement/Prospectus, relating to, among other things, a proposed merger between Fortune and AmSouth Bancorporation. Pursuant to an Agreement and Plan of Merger, dated as of September 12, 1993 (the "Original Agreement"), between Fortune and AmSouth, consummation of the merger was subject to various conditions, including the favorable vote of the holders of a majority of Fortune's Common Stock and two-thirds of Fortune's Series A Preferred Stock. As described in the Proxy Statement/Prospectus, the Original Agreement provides that, if it is not approved by the requisite number of holders of the Preferred Stock, the parties will seek to provide an alternate treatment of the Preferred Stock.

During the week of May 1, 1994, your management and that of AmSouth became aware that it was unlikely that the Original Agreement would receive the approval of the requisite number of holders of Preferred Stock. Therefore, after discussions with representatives of AmSouth and consultation with Fortune's financial and other advisors, your Board of Directors has approved an amendment to the Original Agreement. The amendment provides for a cash payment in connection with the merger to holders of the Preferred Stock, in addition to the cash or stock consideration to which they would be entitled under the election procedures set forth in the Original Agreement. Other than providing for such additional cash payment to the holders of the Preferred Stock, the amendment does not alter the terms of the Original Agreement. Holders of Fortune Common Stock will be entitled to receive the same consideration under the Original Agreement, as amended, that they would be entitled to receive under the Original Agreement. As previously announced, your Board of Directors has postponed the date of the Annual Meeting of Shareholders from May 12, 1994 to May 23, 1994 in order to disseminate to shareholders information concerning the Original Agreement, as amended.

The terms of the amendment to the Original Agreement are described in detail in the accompanying Supplement to the Proxy Statement/Prospectus and I urge you to read it carefully.

Your Board of Directors has reaffirmed its approval of the Original Agreement, as amended, and recommends its approval by the Common and Preferred shareholders. A revised proxy card with a GREEN STRIPE is enclosed for the convenience of the shareholders. If a shareholder has not yet returned a proxy card, we urge her or him to do so and to vote FOR approval of the Original Agreement, as amended, and the other proposals being presented at the Annual Meeting. Submission of a revised proxy card with a GREEN STRIPE will constitute a revocation of a proxy bearing an earlier date. Proxy cards previously returned by shareholders in favor of or against approval of the Original Agreement will be treated as votes in favor of or against approval of the Original Agreement, as amended, as the case may be, unless otherwise revoked.

Sincerely yours,

/s/ John R. Torell III

John R. Torell III
Chairman of the Board
and Chief Executive Officer

NOTICE OF POSTPONED ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD MAY 23, 1994

NOTICE IS HEREBY GIVEN that the date of the Annual Meeting of Shareholders (the "Annual Meeting") of Fortune Bancorp, Inc., a Florida corporation ("Fortune"), has been postponed from May 12, 1994, to May 23, 1994. The postponed Annual Meeting will be held at Fortune's corporate headquarters, 16120 U.S. Highway 19 North, Clearwater, Florida 34624-6895, on Monday, May 23, 1994, at 11:00 a.m., local time, for the following purposes:

1. To consider and vote upon a proposal to approve an Agreement and Plan of Merger dated as of September 12, 1993 (the "Original Agreement"), as amended by the First Amendment thereto, dated as of May 11, 1994 (the "Amended Agreement"), which provides for the merger (the "Merger") of Fortune with and into AmSouth Bancorporation, a Delaware corporation;
2. To elect three directors each for terms of three years or, if the Merger is approved by Fortune shareholders, for terms ending on the date of consummation of the Merger;
3. To ratify the appointment by the Board of Directors of the firm of KPMG Peat Marwick as independent public accountants of Fortune for the fiscal year ending September 30, 1994; and
4. To transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof. As of the date hereof, management is not aware of any other such business.

The terms of the Amended Agreement are described in the accompanying Supplement (the "Supplement") dated May 12, 1994, to the Proxy Statement/Prospectus for the Annual Meeting that was previously mailed to Fortune shareholders on or about April 5, 1994, and in the Proxy Statement/Prospectus. If the Merger is effectuated, shareholders dissenting therefrom shall be entitled to be paid the fair value of their shares (exclusive of any appreciation in value arising from the expectation of the Merger) if they file a written objection to the Merger before the shareholder vote at the Annual Meeting and comply with the further requirements of Sections 607.1301, 607.1302 and 607.1320 of the Florida Business Corporation Act, the full texts of which are included as Annex E to the Proxy Statement/Prospectus. For a summary of the dissenters' rights of Fortune shareholders, see "Dissenters' Rights" in the Proxy Statement/Prospectus.

Pursuant to Fortune's Bylaws, the Board of Directors has fixed March 14, 1994, as the record date for the determination of shareholders who will receive notice of and be entitled to vote at the Annual Meeting or any adjournments or postponements thereof. If there are not sufficient votes to approve one or more of the foregoing proposals at the time of the Annual Meeting, the Annual Meeting may be adjourned or postponed in order to permit further solicitation of proxies by Fortune.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ John R. Torell III

John R. Torell III
Chairman of the Board
and Chief Executive Officer

Clearwater, Florida
May 12, 1994

THE FORTUNE BOARD RECOMMENDS THAT THE HOLDERS OF FORTUNE COMMON STOCK AND FORTUNE PREFERRED STOCK VOTE TO APPROVE THE PROPOSALS ON WHICH THEY ARE ENTITLED TO VOTE.

PROXY STATEMENT SUPPLEMENT

DATED MAY 12, 1994

FORTUNE BANCORP, INC.

1994 ANNUAL MEETING OF SHAREHOLDERS

PROSPECTUS SUPPLEMENT

DATED MAY 12, 1994

AMSOUTH BANCORPORATION

COMMON STOCK
(PAR VALUE \$1.00 PER SHARE)

TO

PROXY STATEMENT/PROSPECTUS DATED APRIL 5, 1994

This Supplement, dated May 12, 1994 ("Supplement"), to the Proxy Statement/Prospectus, dated April 5, 1994, of Fortune Bancorp, Inc. ("Fortune") and AmSouth Bancorporation ("AmSouth") is being furnished to the shareholders of Fortune in connection with the solicitation of proxies by the Board of Directors of Fortune for use at the Annual Meeting of Shareholders ("Annual Meeting") now scheduled to be held on May 23, 1994. On May 10, 1994, Fortune announced the postponement of its Annual Meeting from May 12, 1994 to May 23, 1994 in order to enable Fortune to disseminate information to shareholders with respect to the terms of a First Amendment to the Agreement and Plan of Merger, dated as of May 11, 1994 (the "First Amendment"), between Fortune and AmSouth, a copy of which is attached to this Supplement as Annex A. The Proxy Statement/Prospectus and the accompanying forms of proxy were first transmitted to holders of Fortune Common Stock, par value \$.01 per share ("Fortune Common Stock"), and holders of Fortune Series A 8% Cumulative Convertible Preferred Stock, par value \$.01 per share ("Fortune Preferred Stock"), on or about April 5, 1994. This Supplement is first being transmitted to holders of Fortune Common Stock and holders of Fortune Preferred Stock on or about May 12, 1994. The Agreement and Plan of Merger, dated as of September 12, 1993, by and between Fortune and AmSouth, as originally entered into and described in the Proxy Statement/Prospectus, is referred to in this Supplement as the "Original Agreement." As amended by the First Amendment, the Agreement and Plan of Merger is referred to in this Supplement as the "Amended Agreement." Capitalized terms used but not defined herein shall have the same meaning assigned to them in the Proxy Statement/Prospectus.

During the week of May 1, 1994, senior management of Fortune and AmSouth became aware that it was unlikely that the Original Agreement would receive the approval of the holders of the requisite number of outstanding shares of Fortune Preferred Stock. As contemplated by the terms of the Original Agreement, the parties began to explore an alternative treatment of the Fortune Preferred Stock. As a result, AmSouth has agreed to increase the consideration to be paid by AmSouth in the Merger to holders of Fortune Preferred Stock in the form of an additional cash payment of approximately \$2.5 million, in the aggregate, or approximately \$1.81 per share of Fortune Preferred Stock (the

"Preferred Stock Cash Amount"), AN EFFECT OF WHICH WILL BE TO COMPENSATE THE HOLDERS OF THE FORTUNE PREFERRED STOCK FOR, AMONG OTHER THINGS, THE VALUE OF THE PREFERENCES AND DIVIDEND RIGHTS AND THE REMAINING TWO AND ONE-HALF YEARS OF CALL PROTECTION THAT THEY WOULD HAVE LOST UNDER THE TERMS OF THE ORIGINAL AGREEMENT. This modification to the Original Agreement was unanimously authorized by the Executive Committee of the Board of Directors of AmSouth on May 9, 1994 and by the Board of Directors of Fortune on May 12, 1994.

AN ADDITIONAL COPY OF THE PROXY STATEMENT/PROSPECTUS, OR ANY DOCUMENTS INCORPORATED BY REFERENCE THEREIN, WILL BE SENT, FREE OF CHARGE, TO ANY FORTUNE SHAREHOLDER THAT SO REQUESTS. SUCH REQUESTS SHOULD BE DIRECTED TO FORTUNE AT 16120 U.S. HIGHWAY 19 NORTH, CLEARWATER, FLORIDA 34624-6895, ATTENTION: CORPORATE SECRETARY, OR AT TELEPHONE NUMBER (813) 538-1114.

IN ORDER TO ENSURE TIMELY DELIVERY, ANY REQUESTS SHOULD BE RECEIVED BY FORTUNE BY MAY 18, 1994.

THE SECURITIES TO BE ISSUED PURSUANT TO THE PROXY STATEMENT/PROSPECTUS, INCLUDING THIS SUPPLEMENT, HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE PROXY STATEMENT/PROSPECTUS, INCLUDING THIS SUPPLEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE AMENDED AGREEMENT

The Amended Agreement provides that the holders of Fortune Preferred Stock will receive the Preferred Stock Cash Amount in addition to either cash or shares of common stock of AmSouth, par value \$1.00 per share ("AmSouth Common Stock"), to which they will be entitled under the election procedures set forth in the Original Agreement. Other than providing for the payment of the Preferred Stock Cash Amount to the holders of the Fortune Preferred Stock, the Amended Agreement does not alter the terms of the Original Agreement. Holders of Fortune Common Stock will be entitled to receive the same consideration under the Amended Agreement as they were entitled to receive under the Original Agreement. The election and allocation procedures set forth in the Original Agreement also remain unchanged. AmSouth and Fortune believe that the Amended Agreement does not alter the fundamental economic assumptions upon which the transaction was based. The Amended Agreement will, however, continue to require the approval of the holders of not less than 66 2/3% of the Fortune Preferred Stock. In consideration of the increase in the amount payable to holders of the Fortune Preferred Stock, certain of those holders have agreed to vote or deliver proxies for approximately 37.22% of the outstanding Fortune Preferred Stock in favor of the Merger.

The following table sets forth various assumed Average AmSouth Closing Prices and the resulting Conversion Ratio, the value of AmSouth Common Stock and the Cash Consideration (including, in both cases, the Preferred Stock Cash Amount) to be received per share of Fortune Common Stock and Fortune Preferred Stock and the percentage of shares of Fortune stock to be converted into AmSouth Common Stock and cash. There is no change in this table from the table presented on pages 13 and 37 of the Proxy Statement/Prospectus except to reflect the addition of the Preferred Stock Cash Amount in the columns relating to Fortune Preferred Stock.

<TABLE>
<CAPTION>

ASSUMED AVERAGE AMSOUTH CLOSING PRICE	CONVERSION RATIO	VALUE OF AMSOUTH COMMON STOCK TO BE RECEIVED (1)		CASH CONSIDERATION TO BE RECEIVED		PERCENTAGE (2) OF SHARES OF FORTUNE STOCK TO BE CONVERTED INTO	
		PER SHARE OF FORTUNE COMMON STOCK	PER SHARE OF FORTUNE PREFERRED STOCK	PER SHARE OF FORTUNE COMMON STOCK	PER SHARE OF FORTUNE PREFERRED STOCK (1)	AMSOUTH COMMON STOCK	CASH
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
\$36.00.....	1.014216	\$36.51	\$50.49	\$36.51	\$50.49	53.1%	46.9%
35.00.....	1.027808	35.97	49.78	35.97	49.78	52.4	47.6
34.00.....	1.042198	35.43	49.06	35.43	49.06	51.7	48.3
33.00.....	1.057461	34.90	48.34	34.90	48.34	50.9	49.1
32.00.....	1.073678	34.36	47.62	34.36	47.62	50.2	49.8
31.80.....	1.077044	34.25	47.48	34.25	47.48	50.0	50.0
31.00.....	1.090941	33.82	46.90	33.82	46.90	49.4	50.6
30.00.....	1.109355	33.28	46.19	33.28	46.19	48.5	51.5
29.00.....	1.129039	32.74	45.47	32.74	45.47	47.7	52.3
28.00.....	1.150129	32.20	44.75	32.20	44.75	46.8	53.2
27.00.....	1.172781	31.67	44.03	31.67	44.03	45.9	54.1

</TABLE>

- (1) The column entitled "Per Share of Fortune Preferred Stock" includes the Preferred Stock Cash Amount (approximately \$1.81 per share of Fortune Preferred Stock) to be received by the holder of each share of Fortune Preferred Stock under the terms of the Amended Agreement.
- (2) For the purpose of computing these percentages, each share of Fortune Common Stock is counted as one share, and each share of Fortune Preferred Stock is counted as 1.333333 shares, the number of shares of Fortune Common Stock into which it is convertible under the terms of the Fortune Preferred Stock. In addition to being converted into AmSouth Common Stock or cash, shares of Fortune Preferred Stock will also be converted into the right to receive the Preferred Stock Cash Amount.

Assuming May 9, 1994 had been the Effective Date, the hypothetical Average AmSouth Closing Price would have been \$32.04 and the per share value of the consideration to the holders of Fortune Common Stock and Fortune Preferred Stock would have been approximately \$34.38 and \$47.65, respectively.

Based on the number of shares of Fortune Common Stock and Fortune Preferred Stock outstanding on May 9, 1994, and assuming further the exercise of all stock options currently outstanding under Fortune's stock option plans, AmSouth will issue approximately 4,507,000 shares of AmSouth Common Stock and pay approximately \$145.9 million cash in the Merger, which cash amount includes an additional \$2.5 million as a result of the payment of the Preferred Stock Cash Amount. The payment of the Preferred Stock Cash Amount is not material in the context of the total consideration to be paid in the Merger, and will not have a material effect on the pro forma financial condition or capitalization of AmSouth after giving effect to the Merger on a purchase accounting basis.

Under the Amended Agreement, a holder of Fortune Preferred Stock who realizes a gain upon the exchange of his or her shares of Fortune Preferred Stock for a combination of AmSouth Common Stock and the Preferred Stock Cash Amount (with gain or loss measured by the excess of the fair market value of the

consideration received over the tax basis of the shares of Fortune Preferred Stock exchanged) will recognize such gain only to the extent of the Preferred Stock Cash Amount received by such holder. An analysis similar to the analysis relating to Fortune shareholders who receive solely cash for their shares in the Merger will apply to determine if the receipt of the Preferred Stock Cash Amount by the shareholder will be treated as the receipt of a dividend (rather than capital gain). No loss will be recognized by a Fortune shareholder who realizes a loss with respect to the exchange of his or her shares of Fortune Preferred Stock for a combination of AmSouth Common Stock and the Preferred Stock Cash Amount. If a holder of Fortune Preferred Stock has more than one block of Fortune Preferred Stock, the computation of gain or loss realized, and the amount recognized, will be performed separately with respect to each such block. A beneficial owner of Fortune Preferred Stock that holds such stock in more than one record ownership or that also holds shares of Fortune Common Stock may, in some circumstances, receive both AmSouth Common Stock and cash (in addition to cash received in lieu of fractional shares and the Preferred Stock Cash Amount). Any such holder is urged to review the discussion entitled "Tax Consequences to Fortune Shareholders Who Receive Both Cash and AmSouth Stock in the Merger" on page 57 of the Proxy Statement/Prospectus. The tax basis of AmSouth Common Stock received in the Merger by a holder of Fortune Preferred Stock will equal such holder's tax basis for the Fortune Preferred Stock exchanged therefor, decreased by the Preferred Stock Cash Amount and increased by the amount of any gain recognized on such exchange, and such holder will include the period during which the Fortune Preferred Stock surrendered was held in his or her holding period for the AmSouth Common Stock received in exchange therefor.

Consummation of the Merger remains subject to receipt of the tax opinions and other conditions referred to in the Proxy Statement/Prospectus.

RECOMMENDATION OF THE FORTUNE BOARD

AS DESCRIBED IN THE PROXY STATEMENT/PROSPECTUS, THE BOARD OF DIRECTORS OF FORTUNE UNANIMOUSLY APPROVED THE ORIGINAL AGREEMENT AND RECOMMENDED A VOTE IN FAVOR OF ITS APPROVAL BY THE SHAREHOLDERS. THE BOARD OF DIRECTORS CONTINUES TO BELIEVE THAT THE TERMS OF THE MERGER, AS EMBODIED IN THE ORIGINAL AGREEMENT AND THE AMENDED AGREEMENT, ARE FAIR TO, AND IN THE BEST INTERESTS OF, FORTUNE'S SHAREHOLDERS AND THAT THE MERGER WILL PROVIDE SIGNIFICANT VALUE TO ALL FORTUNE SHAREHOLDERS.

OPINION OF FINANCIAL ADVISOR

As stated in the Proxy Statement/Prospectus, the Board of Directors of Fortune retained Dillon, Read & Co. ("Dillon Read") to evaluate the fairness, from a financial point of view, of the consideration to be received by Fortune shareholders in the Merger.

At the May 12, 1994 meeting of the Board of Directors of Fortune at which the Amended Agreement was approved, Dillon Read orally reconfirmed its written opinion dated April 4, 1994 and delivered an updated written opinion, dated May 12, 1994, to the effect that, as of that date, the consideration provided for in the Amended Agreement was fair to holders of shares of Fortune Common Stock and Fortune Preferred Stock from a financial point of view.

A copy of Dillon Read's updated written opinion dated May 12, 1994 is attached as Annex B to this Supplement. The summary of Dillon Read's opinion set forth herein is qualified in its entirety by reference to the full text of the opinion. FORTUNE SHAREHOLDERS ARE URGED TO READ THE OPINION IN ITS ENTIRETY FOR A DESCRIPTION OF ASSUMPTIONS MADE, MATTERS CONSIDERED, PROCEDURES FOLLOWED

Dillon Read's opinion is directed only to the consideration to be received by Fortune shareholders in the Merger and does not constitute a recommendation to any Fortune shareholder as to how such shareholder should vote at the Annual Meeting. Dillon Read did not determine or recommend the kind or amount of consideration to be paid in the Merger.

In connection with its opinion dated May 12, 1994, Dillon Read confirmed the appropriateness of its reliance on the analyses used to render its earlier opinion by performing procedures to update certain of such analyses and reviewing the assumptions on which such analyses were based and the factors considered in connection therewith. Such analyses are summarized on pages 41-44 of the Proxy Statement/Prospectus.

THE ANNUAL MEETING

As described in the Proxy Statement/Prospectus, approval of the Merger will require the affirmative vote of the holders of a majority of the outstanding shares of Fortune Common Stock entitled to vote thereon, and the affirmative vote of the holders of at least 66 2/3% of the outstanding shares of Fortune Preferred Stock entitled to vote thereon. As of May 10, 1994, directors and executive officers of Fortune and its affiliates may have been deemed to be beneficial owners of approximately 22.09% of the outstanding shares of Fortune Common Stock and no shares of Fortune Preferred Stock.

In consideration of the increase in the amount payable to holders of the Fortune Preferred Stock, certain of those holders have agreed to vote or deliver proxies for approximately 37.22% of the outstanding Fortune Preferred Stock in favor of the Merger.

Shareholders that have not returned the proxy card accompanying the Proxy Statement/Prospectus are requested promptly to sign, date and return such proxy card or the enclosed revised proxy card with a GREEN STRIPE accompanying this Supplement.

If the enclosed revised proxy card with a GREEN STRIPE is executed and returned, it nevertheless may be revoked by a shareholder at any time before it has been voted. Shares represented at the Annual Meeting by proxy will be voted FOR election as directors those nominees listed on the enclosed revised form of proxy, FOR ratification of the appointment of KPMG Peat Marwick as auditors and FOR the approval of the Amended Agreement (and as to any other business that may come before the Annual Meeting in accordance with a recommendation of a majority of Fortune's Board of Directors) unless the shareholder does not wish the proxy so voted on any of these proposals and checks the appropriate box or boxes on the proxy card. If a shareholder has already executed and delivered a proxy and does not want to change the vote reflected on such proxy, there is no need to execute the enclosed revised proxy card with a GREEN STRIPE, because the shareholder's instruction for or against the Original Agreement on the original proxy card that accompanied the Proxy Statement/Prospectus will be voted for or against the Amended Agreement. Submission of a revised proxy card with a GREEN STRIPE will constitute a revocation of a proxy bearing an earlier date.

SHAREHOLDERS WHO HAVE ALREADY RETURNED THE PROXY CARD ORIGINALLY SENT THEM WITH THE PROXY STATEMENT/PROSPECTUS SHOULD NOT RETURN THE ENCLOSED PROXY CARD WITH A GREEN STRIPE UNLESS THEY WISH TO REVOKE THE EARLIER PROXY AND CHANGE THEIR VOTE.

CLOSING DATE

If the Amended Agreement is approved by the Fortune shareholders and the other conditions of the Amended Agreement are fulfilled, the parties intend to consummate the Merger on or about June 23, 1994, as previously announced.

The Board of Directors of Fortune urges each shareholder, whether or not he or she intends to be present at the Annual Meeting, to vote in favor of the Merger and the other proposals to be presented at the Annual Meeting, as described in the Proxy Statement/Prospectus.

By Order of the Board of Directors
of Fortune Bancorp, Inc.

/s/ John R. Torell III

John R. Torell III
Chairman of the Board and Chief
Executive Officer

Clearwater, Florida
May 12, 1994

5

APPENDIX A

FIRST AMENDMENT TO AGREEMENT
AND PLAN OF MERGER

THIS FIRST AMENDMENT TO AGREEMENT AND PLAN OF MERGER (this "Amendment") is made and entered into as of May 11, 1994, by and between AmSouth Bancorporation, a Delaware corporation ("AmSouth"), and Fortune Bancorp, Inc., a Florida corporation (the "Company"). Except as otherwise provided herein, the capitalized terms used but not defined herein shall have the meanings assigned to them in the Plan (as hereinafter defined).

W I T N E S S E T H:

WHEREAS, AmSouth and the Company have entered into an Agreement and Plan of Merger, dated as of September 12, 1993 (the "Plan"), providing for the merger of Company into and with AmSouth, with AmSouth as the surviving corporation (the "Merger") and the conversion of Company Common Stock and Company Convertible Preferred Stock into AmSouth Common Stock and/or cash pursuant to certain election procedures set forth in Article II thereof;

WHEREAS, AmSouth and the Company deem it desirable to modify certain of the terms of the Plan relating to the consideration to be paid to holders of Company Convertible Preferred Stock in the Merger;

NOW, THEREFORE, AmSouth and the Company, by appropriate action of their Boards of Directors, hereby agree as follows:

Section 1. Revision of Election Procedures. Article II of the Plan is hereby amended to read in its entirety as follows:

"II. TERMS OF THE MERGER

Subject to the provisions of this Plan:

II(A) Subject to clause (3) of this Paragraph (A) and Paragraph (C) of Article II:

(1) Each share of Company common stock, par value \$.01 per share (the "Company Common Stock"), issued and outstanding on the Effective Date shall become and be converted into the right to receive, at the election of each holder thereof subject to the provisions of Paragraph (B) below, either (i) a number of shares of common stock, par value \$1.00 per share ("AmSouth Common Stock"), of AmSouth equal to the sum of .538522 and the ratio of \$17.125 to the Average Closing Price (as defined below) (the "Conversion Ratio"), or (ii) cash equal in amount to the sum of \$17.125 and the product of .538522 and the Average Closing Price (the "Cash Consideration"), and each share of Company Preferred Stock, par value \$.01 per share (the "Company Convertible Preferred Stock") issued and outstanding on the Effective Date shall become and be converted into the right to receive at the election of each holder thereof subject to the provisions of Paragraph (B) below, either (x) a number of shares of AmSouth Common Stock equal to the product of the Conversion Ratio and 1.333333 or (y) cash in an amount equal to the product of the Cash Consideration and 1.333333, plus in either case (x) or (y) cash in an amount equal to \$1.81159 (the "Preferred Stock Cash Amount"); provided (subject to Paragraph (B) below) that the number of shares of AmSouth Common Stock which will be issued (the "Stock Limit") shall equal the number obtained by multiplying (1) 1.077044 by (2) the product of (a) the total number of shares (including shares described in clause (4)(i) and excluding shares described in clause (4)(ii) of this Paragraph (A)) of Company Common Stock and Company Common Stock Equivalents outstanding on the Effective Date by (b) .50; and provided, further, that the Stock Limit may be adjusted upward in a

A-1

mutually acceptable manner if necessary in the event neither Holland & Knight nor Sullivan & Cromwell can give an opinion that the Merger qualifies as a reorganization within the meaning of Section 368 of the Code. In the event of any recapitalization, reclassification, stock split, consolidation or similar change in the AmSouth Common Stock, the Conversion Ratio and Cash Consideration will be appropriately adjusted to reflect such change;

(2) For purposes of this Plan:

(i) Average Closing Price shall mean the average of the closing prices of shares of AmSouth Common Stock as reported on the New York Stock Exchange Composite Transaction Tape for the ten (10) consecutive trading days ending on the tenth business day prior to the Effective Date.

(ii) Company Common Stock Equivalents shall mean the shares of Company Common Stock into which each share of Company Convertible Preferred Stock (as defined below) would convert if such share of Company Convertible Preferred Stock had been converted into Company Common Stock on the day prior to the date of this Plan and as though this Plan had never been contemplated.

(3) notwithstanding any other provisions hereof, no fractional shares of AmSouth Common Stock and no certificates or scrip therefor, or other evidence of ownership thereof, will be issued; instead, AmSouth shall

pay to each holder of Company Common Stock or Company Convertible Preferred Stock who would otherwise be entitled to fractional shares pursuant to clause (1) of this Paragraph (A) an amount in cash determined by multiplying such holder's fractional interest by the closing price for AmSouth Common Stock on the Effective Date on the New York Stock Exchange.

(4) notwithstanding any other provisions hereof, (i) each share of Company Common Stock and Company Convertible Preferred Stock the holder of which has perfected his right to dissent under applicable law and has not effectively withdrawn or lost such right as of the Effective Date (the "Dissenting Shares") shall not be converted into or represent a right to receive shares of AmSouth Common Stock or cash hereunder, and the holder thereof shall be entitled only to such rights as are granted by applicable law, and (ii) each share of Company Common Stock and Company Convertible Preferred Stock held directly or indirectly by the Company or the Bank (other than shares held in a fiduciary capacity or in satisfaction of a debt previously contracted) shall not be converted into or represent a right to receive shares of AmSouth Common Stock or cash hereunder, and such shares shall be cancelled.

II(B) An election form and other appropriate transmittal materials as AmSouth and the Company shall mutually agree ("Election Form") will be sent twenty-seven (27) days before the anticipated Effective Date or on such other date as AmSouth and the Company shall mutually agree (the "Mailing Date") to each holder of record of Company Common Stock and Company Convertible Preferred Stock as of five (5) business days prior to the Mailing Date permitting such holder (or in the case of nominee record holders, the beneficial owner through proper instructions and documentation) (i) to elect to receive only AmSouth Common Stock with respect to such holder's Company Common Stock or Company Convertible Preferred Stock (together, in the case of Company Convertible Preferred Stock, with the Preferred Stock Cash Amount) as hereinabove provided (the "Stock Election Shares"), (ii) to elect to receive only cash with respect to such holder's Company Common Stock or Company Convertible Preferred Stock (including, in the case of Company Convertible Preferred Stock, the Preferred Stock Cash Amount) as hereinabove provided (the "Cash Election Shares"), or (iii) to indicate that such holder makes no such election (the "No-Election Shares"). Any shares of Company Common Stock and Company Convertible Preferred Stock with respect to which the holder thereof shall not, as of the Election Deadline (as defined below), have submitted to AmSouth Bank N.A. as an exchange agent (the "Exchange Agent"), an effective, properly completed Election Form shall be deemed to be No-Election Shares.

A-2

The term "Election Deadline", shall mean 5:00 p.m., Central Time, on the 20th day following but not including the Mailing Date or such other date as the Company and AmSouth shall mutually agree upon. AmSouth shall make an election form available to all persons who become holders of Company Common Stock or Company Convertible Preferred Stock between the date five (5) days prior to the Mailing Date and the close of business on the day prior to the Election Deadline; provided that the Company will provide to the Exchange Agent in a timely manner all information necessary to comply with this provision.

Any election to receive AmSouth Common Stock or cash (together, in the case of Company Convertible Preferred Stock, with the Preferred Stock Cash Amount) shall have been properly made only if the Exchange Agent shall have actually received a properly completed Election Form by the Election Deadline. An Election Form will be properly completed only if accompanied by certificates

(or customary affidavits and indemnities regarding the loss thereof) representing all shares of Company Common Stock or Company Convertible Preferred Stock covered thereby. Any Election Form may be revoked or changed by the person submitting such Election Form to the Exchange Agent at or prior to the Election Deadline. The certificate or certificates representing Company Common Stock or Company Convertible Preferred Stock relating to any revoked Election Form shall be promptly returned without charge to the person submitting the Election Form to the Exchange Agent. The Exchange Agent shall have reasonable discretion to determine when any election, modification or revocation is received and whether any such election, modification or revocation has been properly made.

Within five business days after the Election Deadline, the Exchange Agent shall effectuate the allocation among holders of Company Common Stock and Company Convertible Preferred Stock of rights to receive AmSouth Common Stock or cash (other than the Preferred Stock Cash Amount) in the Merger in accordance with the Election Forms as follows (provided, however, that in no event shall the Exchange Agent be required to effectuate the allocation prior to the Effective Date):

(i) If the number of shares of AmSouth Common Stock that would be issued upon the conversion into AmSouth Common Stock of the Stock Election Shares is less than the Stock Limit, then:

(1) all Stock Election Shares will be converted into the right to receive AmSouth Common Stock (except that Stock Election Shares that are Company Convertible Preferred Stock will be converted into the right to receive AmSouth Common Stock and the Preferred Stock Cash Amount),

(2) the Exchange Agent will select first from among the holders of No-Election Shares and then (if necessary) from among the holders of Cash Election Shares, by random selection (as described below), a sufficient number of such holders ("Stock Designees") such that the number of shares of AmSouth Common Stock that will be issued upon the conversion into AmSouth Common Stock of shares of Company Common Stock and Company Convertible Preferred Stock held by the Stock Designees will, when added to the number of shares of AmSouth Common Stock that will be issued upon the conversion of the Stock Election Shares, equal as closely as practicable the Stock Limit, and all shares held by the Stock Designees will be converted into the right to receive AmSouth Common Stock (provided that shares held by the Stock Designees that are Company Convertible Preferred Stock will be converted into the right to receive AmSouth Common Stock and the Preferred Stock Cash Amount and provided, further, that no particular holder of Cash Election Shares will be deemed to be a Stock Designee if such designation would threaten satisfaction of any of the conditions to consummation of the Merger in Article VII), and

(3) the Cash Election Shares and the No-Election Shares not held by Stock Designees will be converted into the right to receive cash; or

(ii) If the number of shares of AmSouth Common Stock that would be issued upon the conversion into AmSouth Common Stock of the Stock Election Shares is greater than the Stock Limit, then:

(1) all Cash Election Shares and No-Election Shares will be converted into the right to receive cash,

(2) the Exchange Agent will select from among the holders of Stock Election Shares, by random selection (as described below), a sufficient number of such holders to receive cash ("Cash Designees") such that the number of shares of AmSouth Common Stock that will be issued upon the conversion of the Stock Election Shares not held by Cash Designees will, equal as closely as practicable the Stock Limit, and all shares held by the Cash Designees will be converted into the right to receive cash (provided, that no particular holder of Stock Election Shares will be deemed to be a Cash Designee if such designation would threaten satisfaction of any of the conditions to consummation of the Merger in Article VII), and

(3) all Stock Election Shares not held by the Cash Designees will be converted into the right to receive AmSouth Common Stock (except that such Stock Election Shares that are shares of Company Convertible Preferred Stock will be converted into the right to receive AmSouth Common Stock and the Preferred Stock Cash Amount);

(iii) If the number of shares of AmSouth Common Stock that would be issued upon the conversion into AmSouth Common Stock of the Stock Election Shares is equal or nearly equal (as determined by the Exchange Agent) to the Stock Limit, then subparagraphs (i) and (ii) above and subparagraph (iv) below shall not apply and all Stock Election Shares will be converted into the right to receive AmSouth Common Stock (except that such Stock Election Shares that are shares of Company Convertible Preferred Stock will be converted into the right to receive AmSouth Common Stock and the Preferred Stock Cash Amount) and all Cash Election Shares and No-Election Shares will be converted into the right to receive cash; or

(iv) If the number of shares of AmSouth Common Stock that would be issued upon the conversion into AmSouth Common Stock of the Stock Election Shares and No-Election Shares would equal or nearly equal (as determined by the Exchange Agent) the Stock Limit, then subparagraphs (i), (ii) and (iii) above shall not apply and all Cash Election Shares will be converted into the right to receive cash and all Stock Election Shares and No-Election Shares will be converted into the right to receive AmSouth Common Stock (except that such Stock Election Shares and No-Election Shares that are shares of Company Convertible Preferred Stock will be converted into the right to receive AmSouth Common Stock and the Preferred Stock Cash Amount).

The selection process to be used by the Exchange Agent shall consist of such processes as shall be mutually determined by the Company and AmSouth as shall be further described in the Election Form. On the Effective Date of the Merger, AmSouth shall issue to the Exchange Agent the number of shares of AmSouth Common Stock issuable and the amount of cash payable in the Merger. Upon completion of the allocation procedure described above, AmSouth shall, if necessary, issue to the Exchange Agent any additional shares of AmSouth Common Stock in exchange for cash or issue to the Exchange Agent any additional cash in exchange for AmSouth Common Stock, as may be required to effect the conversion of Company Common Stock and Company Convertible Preferred Stock as contemplated hereby. Within 5 business days after the allocation described above, the Exchange Agent shall distribute AmSouth Common Stock and cash as provided herein. The Exchange Agent shall not be entitled to vote or exercise any rights of ownership with respect to the shares of AmSouth Common Stock held by it from time to time hereunder, except that it shall receive and hold all dividends or other distributions paid or distributed with respect to such shares for the account of the persons entitled thereto.

After the completion of the foregoing allocation, each holder of an outstanding certificate or certificates which prior thereto represented shares of Company Common Stock or Company Convertible Preferred Stock who surrenders

such certificate or certificates to the Exchange Agent will, upon acceptance thereof by the Exchange Agent, be entitled to a certificate or certificates representing the number of full shares of AmSouth Common Stock and/or the amount of cash into which the aggregate number of shares of Company Common Stock or Company Convertible Preferred Stock previously represented by such certificate or certificates surrendered shall have been converted pursuant to this Plan and, if such holder's shares of Company Common Stock or Company Convertible Preferred Stock have been converted into AmSouth Common Stock, any other distribution theretofore paid with respect to the AmSouth Common Stock issuable in the Merger,

A-4

in each case without interest. The Exchange Agent shall accept such certificates upon compliance with such reasonable terms and conditions as the Exchange Agent may impose to effect an orderly exchange thereof in accordance with normal exchange practices. Each outstanding certificate which prior to the Effective Date of the Merger represented Company Common Stock or Company Convertible Preferred Stock and which is not surrendered to the Exchange Agent in accordance with the procedures provided for herein shall, except as otherwise herein provided, until duly surrendered to the Exchange Agent be deemed to evidence ownership of the number of shares of AmSouth Common Stock and/or the right to receive the amount of cash into which such Company Common Stock or Company Convertible Preferred Stock shall have been converted. After the Effective Date of the Merger, there shall be no further transfer on the records of the Company of certificates representing Company Common Stock or Company Convertible Preferred Stock and if such certificates are presented to the Company for transfer, they shall be cancelled against delivery of certificates for AmSouth Common Stock or cash as hereinabove provided. No dividends which have been declared will be remitted to any person entitled to receive shares of AmSouth Common Stock under this Article II until such person surrenders the certificate or certificates representing Company Common Stock or Company Convertible Preferred Stock, at which time such dividends shall be remitted to such person, without interest.

Neither the Exchange Agent nor any party to this Plan shall be liable to any holder of stock for any consideration paid to a public official pursuant to applicable abandoned property, escheat or similar laws. AmSouth and the Exchange Agent shall be entitled to rely upon the stock transfer books of the Company to establish the identity of those persons entitled to receive consideration specified in this Plan, which books shall be conclusive with respect thereto. In the event of a dispute with respect to ownership of stock, AmSouth and the Exchange Agent shall be entitled to deposit any consideration represented thereby in escrow with an independent third party and thereafter be relieved with respect to any claims thereto.

II(C) The Company will have a right to elect to abandon the Merger and terminate the Plan, (and no provision of this Article II except this Paragraph (C) shall apply) if its Board of Directors so determines by a majority vote of the members of its entire board, at any time during the ten-day period commencing with the Approval Date if the average closing prices of AmSouth Common Stock as reported on the New York Stock Exchange Composite Transactions Tape for the ten (10) consecutive trading days ending on the date (the "Approval Date") of the last federal regulatory approval (excluding any applicable waiting period) required for consummation of the Merger shall be less than \$27.00;

subject, however, to the following three sentences. If the Company makes an election to abandon the Merger, it shall give prompt written notice to AmSouth (provided that such notice of election may be withdrawn at any time within the aforementioned ten-day period). During the seven-day period commencing with its

receipt of such notice, AmSouth shall have the option to increase the value of the cash, the AmSouth Common Stock or a combination thereof being offered to shareholders of the Company such that the per share value of the cash and stock consideration (valued at the average closing price of AmSouth Common Stock computed in accordance with this Paragraph II(C) in the case of the stock consideration) is at least equal to the per share consideration which would have been received if the average closing price computed in accordance with this Paragraph II(C) had been \$27.00 per share (provided that the Merger shall qualify as a reorganization within the meaning of Section 368 of the Code). If AmSouth so elects within such seven-day period, it shall give prompt written notice to the Company of such election and the increase in the average per share value of the cash and stock consideration whereupon no termination shall have occurred and this Plan shall remain in effect in accordance with its terms (except as the value of the cash and/or stock consideration shall have been so modified).

II(D) Each stock option to purchase shares of Company Common Stock, including options granted but not yet vested, (except options granted pursuant to the Stock Option Agreement) not exercised prior to the Effective Date shall be converted into the right to receive in AmSouth's sole discretion on a case-by-case basis with respect to each holder of such options either (1) an option to purchase, on the same terms as the option to purchase shares of Company Common Stock, shares of AmSouth Common Stock in an amount

A-5

and at a price appropriately adjusted to reflect the per share consideration received by holders of Company Common Stock in the Merger; or (2) cash in an amount equal to the difference between (a) the per share consideration to be received by holders of Company Common Stock in the Merger and (b) the exercise price of such option, whereupon such option shall terminate.

II(E) Appendix A hereto illustrates, among other things, the value to be received per share of Company Common Stock, whether in cash or AmSouth Common Stock, at varying Average Closing Prices of AmSouth Common Stock as well as the Conversion Ratio. For purposes of this Appendix it has been assumed that all of the Company Convertible Preferred Stock will have been converted to Company Common Stock at a conversion ratio of 1.333333."

Section 2. Authorization. The Company hereby represents and warrants to AmSouth, and AmSouth hereby represents and warrants to the Company that, subject to any necessary approval by its shareholders and the regulatory and other approvals referred to in Paragraphs (B) and (C) of Article VII of the Plan, the Plan, as amended by this Amendment, has been authorized by all necessary corporate action of it and is a valid and binding agreement of it enforceable in accordance with its terms, subject as to enforcement to bankruptcy, reorganization, insolvency and other laws of general applicability relating to or affecting creditors' rights and to general equity principles and except that the availability of the equitable remedies of specific performance or injunctive relief are subject to the discretion of the court before which any proceedings may be brought.

Section 3. No Other Modifications. Except as amended by this Amendment, the Plan and the exhibits and appendices thereto remain in full force and effect without modification, alteration or change; provided that all references therein to the Plan shall be deemed references to the Plan as amended hereby.

Section 4. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Alabama except to the extent the Business Corporation Law of Florida or General Corporation Law of Delaware shall govern the merger of Florida and Delaware corporations, respectively.

Section 5. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall constitute one and the same instrument.

In Witness Whereof, each of the parties has caused this Amendment to be executed on its behalf and its corporate seal hereunto affixed and attested by officers thereunto duly authorized all as of the day and year first written above.

Attest: AmSouth Bancorporation

/s/ Maria B. Campbell

By: /s/ John W. Woods

As its Secretary

As its Chairman

[Corporate Seal]

Attest: Fortune Bancorp, Inc.

/s/ Kay R. Degen

By: /s/ John R. Torrell III

As its Secretary

As its Chairman

[Corporate Seal]

A-6

[LETTERHEAD OF DILLON, READ & CO. INC. APPEARS HERE]

May 12, 1994

The Board of Directors
Fortune Bancorp, Inc.
16120 U.S. 19 North
Clearwater, FL 34624

Gentlemen:

You have requested our opinion as to the fairness, from a financial point of view, to the holders of the outstanding shares of Common Stock, par value \$.01 per share (the "Common Shares"), and the holders of Series A 8% Cumulative Convertible Preferred Stock, par value \$0.01 per share (the "Preferred Shares"), of Fortune Bancorp, Inc. (the "Company") of the consideration, as herein defined, offered by AmSouth Bancorporation ("AmSouth") to such holders in the proposed merger (the "Merger") of the Company into AmSouth, pursuant to the Agreement and Plan of Merger dated as of the 12th day of September, 1993, between the Company and AmSouth (the "Agreement"), as amended by the First Amendment to the Agreement and Plan of Merger, dated as of May 11, 1994 (the "First Amendment") between the Company and AmSouth. The number of shares of AmSouth common stock and the amount of cash that will be exchanged for each share of Fortune common and preferred stock (the "Consideration") will be determined by applying a formula as set forth in the Agreement as amended by the First Amendment.

Dillon, Read & Co. Inc. ("Dillon Read"), as part of its investment banking services, is continually engaged in the valuation of businesses and their

securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distribution of listed and unlisted securities and private placements, and valuations for estate, corporate and other purposes. Dillon Read has not been retained to provide investment banking or advisory services to the Company outside of rendering this fairness opinion. We have acted exclusively for the Board of Directors of the Company in rendering this fairness opinion and will receive a fee from the Company for our services.

In arriving at our opinion, we have reviewed and analyzed, among other things: (i) the Agreement and the First Amendment; (ii) Annual Reports to Shareholders and Annual Reports on Form 10-K of the Company and AmSouth for five years ended September 30, 1993 and December 31, 1993, respectively; (iii) certain interim reports to shareholders and Quarterly Reports on Form 10-Q of the Company and AmSouth and certain other communications from the Company and AmSouth to their respective shareholders; (iv) certain internal financial analyses and forecasts for the Company and AmSouth prepared by its management or consultants retained by its management. We also have held discussions with members of the senior management of the Company and AmSouth regarding their respective past and current business operations, financial condition and future prospects. In addition, we have reviewed the reported price and trading activity for the Common Shares and AmSouth common stock, compared certain financial and stock market information for the Company and AmSouth with similar information for certain other companies, the securities of which are publicly traded, reviewed the financial terms of certain recent business combinations in the thrift and commercial banking industries and performed such other studies and analyses we considered relevant.

We have relied without independent verification upon the accuracy and completeness of all the financial and other information reviewed by us for the purposes of this opinion. In this regard, we have assumed that the financial forecasts have been reasonably prepared on a basis reflecting the best currently available

B-1

[LETTERHEAD OF DILLON, READ & CO. INC. APPEARS HERE]

judgments and estimates of the management of the Company and AmSouth and such forecasts will be realized in the amounts and at the time contemplated thereby. We are not experts in the evaluation of loan portfolios or the allowance for loan losses with respect thereto and have assumed the allowance for the Company and AmSouth are adequate to cover such losses. In addition, we have not reviewed individual credit files nor have we made an independent evaluation or appraisal of the assets and liabilities of the Company or AmSouth or any of their subsidiaries and we have not been furnished with any such evaluation or appraisal.

Based upon and subject to the foregoing and other such matters we consider relevant, it is our opinion that, as of the date hereof, the Consideration offered in the Merger is fair, from a financial point of view, to the holders of the Common Shares and to the holders of the Preferred Shares of the Company.

Very truly yours,

/s/ Dillon, Read & Co. Inc.

DILLON, READ & CO. INC.

B-2