

SECURITIES AND EXCHANGE COMMISSION

FORM S-8

Initial registration statement for securities to be offered to employees pursuant to employee benefit plans

Filing Date: **1995-02-22**
SEC Accession No. **0000950144-95-000469**

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FILER

BANK SOUTH CORP

CIK: **39394** | IRS No.: **581048216** | State of Incorporation: **GA** | Fiscal Year End: **1231**
Type: **S-8** | Act: **33** | File No.: **033-57791** | Film No.: **95514245**
SIC: **6021** National commercial banks

Mailing Address
P.O. BOX 5092
ATLANTA GA 30302

Business Address
55 MARIETTA ST
ATLANTA GA 30303
4045294435

As filed with the Securities and Exchange Commission on February 22, 1995.

File No. 33-_____

SECURITIES AND EXCHANGE COMMISSION
 THE SECURITIES ACT OF 1933
 WASHINGTON, D.C. 20549

 FORM S-8
 REGISTRATION STATEMENT
 UNDER
 THE SECURITIES ACT OF 1933

BANK SOUTH CORPORATION
 (Exact Name of Issuer as Specified in its Charter)

GEORGIA
 (State or Other Jurisdiction of
 Incorporation or Organization)

56-1048216
 (I.R.S. Employer
 Identification Number)

55 MARIETTA STREET, ATLANTA, GEORGIA 30303
 (404) 529-4111
 (Address, Including Zip Code, and Telephone Number of Principal
 Executive Offices)

GWINNETT BANCSHARES, INC. STOCK OPTION PLAN
 (Full Title of the Plan)

RALPH E. HUTCHINS, JR.
 CHIEF FINANCIAL OFFICER AND SECRETARY
 BANK SOUTH CORPORATION
 55 MARIETTA STREET
 ATLANTA, GEORGIA 30303
 (404) 529-4075
 (Name, Address, Including Zip Code, and Telephone Number,
 Including Area Code, of Agent for Service)

COPIES TO:
 LAURA G. THATCHER
 ALSTON & BIRD
 ONE ATLANTIC CENTER
 1201 WEST PEACHTREE STREET
 ATLANTA, GEORGIA 30309-3424
 (404) 881-7000

CALCULATION OF REGISTRATION FEE

<TABLE>
 <CAPTION>

Title of Securities to be Registered	Amount to be Registered (1)	Proposed Maximum Offering Price Per Unit (2)	Proposed Maximum Aggregate Offering Price (2)	Amount of Registration Fee
<S> Common Stock, \$5.00 par value (3)	<C> 261,713	<C> \$6.48	<C> \$1,695,900.24	<C> \$584.80

</TABLE>

- (1) This Registration Statement covers the maximum number of shares that will be available for issuance under the above referenced Plan when such Plan is assumed by the Registrant. This Registration Statement also covers any additional shares that may hereafter become exercisable as a result of the adjustment and anti-dilution provisions of the Registrant's above referenced Plan.
- (2) Determined in accordance with Rule 457(h), the registration fee calculation is based on the average option price per share for the shares presently subject to options.
- (3) Includes Rights to purchase Registrant's Series A Participating Preferred

PART II. INFORMATION REQUIRED IN REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE

The following documents are incorporated by reference into this Registrant Statement and are deemed to be a part hereof from the date of the filing of such documents:

(1) The Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1993.

(2) All reports filed by the Registrant pursuant to Section 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the Registrant's 1993 Annual Report on Form 10-K.

(3) The description of Common Stock contained in the Registrant's Registration Statements filed under Section 12 of the Exchange Act, including all amendments or reports filed for the purpose of updating such description.

(4) All other documents subsequently filed by the Registrant pursuant to Section 13(a), 13(c), 14 and 15(d) of the Exchange Act prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold.

ITEM 4. DESCRIPTION OF SECURITIES. Not Applicable

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL. Not Applicable

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS

As provided under Georgia law, Registrant's Articles of Incorporation provide that a director shall not be personally liable to the corporation or its shareholders for monetary damages for breach of duty of care or any other duty owed to the corporation as a director, except that such provision shall not eliminate or limit the liability of a director (a) for any appropriation, in violation of his duties, of any business opportunity of the corporation, (b) for acts or omissions which involve intentional misconduct or a knowing violation of law, (c) for unlawful corporate distributions, or (d) for any transaction from which the director received an improper benefit.

Under Article V of its Bylaws, the Registrant is required to indemnify its directors to the full extent permitted by Georgia law. The Georgia Business Corporation Code provides that a corporation may indemnify its directors, officers, and agents against judgments, fines, penalties, amounts paid in settlement, and reasonable expenses, including attorney's fees, resulting from

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various types of legal actions or proceedings, including, but not limited to any threatened, pending, or completed action, suit or proceeding whether civil, criminal, administrative, or investigative and whether formal or informal, if the actions of the party being indemnified meet the standards of conduct specified therein. Determination concerning whether or not the applicable

standard of conduct has been met can be made by (a) the Board of Directors by a majority vote of a quorum consisting of disinterested directors, (b) a majority vote of a committee of disinterested directors, (c) independent legal counsel, or (d) an affirmative vote of a majority of shares held by the disinterested shareholders. No indemnification shall be made to or on behalf of a corporate director, officer, employee or agent (i) in connection with a proceeding by or in the right of the corporation in which such person was adjudged liable to the corporation or (ii) in connection with any other proceeding in which such person was adjudged liable on the basis that personal benefit was improperly received by him.

Registrant's directors and officers are insured against losses arising from any claim against them as such for wrongful acts or omissions, subject to certain limitations.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED. Not Applicable

ITEM 8. EXHIBITS

The exhibits included as part of this Registration Statement are as follows:

Exhibit Number -----	Description -----
4(a)	Registrant's Amended and Restated Articles of Incorporation
4(b)	Registrant's Amended and Restated Bylaws
4(c)	Bank South Corporation Rights Agreement (included as Exhibit 1 to the Form 8 Amendment to the Form 8-A filed with the Commission on April 8, 1988 (File No. 0-4554) and incorporated herein by reference.)
5	Opinion of Alston & Bird
23(a)	Consent of Alston & Bird (included in Exhibit 5)

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Exhibit Number -----	Description -----
23(b)	Consent of Ernst & Young LLP
23(c)	Consent of Price Waterhouse LLP
24	Power of Attorney (contained in Part II at page II-5)

ITEM 9. UNDERTAKINGS

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by section 10(a)(3) of

the Securities Act of 1933;

- (ii) To reflect in the prospectus any facts or events arising after the effective date of this Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement;
- (iii) To include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement;

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in this Registration Statement.

- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities being offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
 - (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d)

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of the Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

- (c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Atlanta, State of Georgia, on February 16, 1995.

BANK SOUTH CORPORATION
(Registrant)

By: /s/ RALPH E. HUTCHINS, JR.

Ralph E. Hutchins, Jr.
Chief Financial Officer and
Corporate Secretary

KNOW BY ALL MEN BY THESE PRESENT that each person whose signature appears below constitutes and appoints Patrick L. Flinn or Ralph E. Hutchins, Jr. and either of them (with full power in each to act alone), as true and lawful attorneys-in-fact, with full power of substitution, for him and in his name, place and stead, in any and all capacities, to sign any amendments to this Registration Statement and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or their substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on the date indicated.

<TABLE>
<CAPTION>

Signature -----	Capacity -----	<C>
<S> /s/ PATRICK L. FLINN ----- Patrick L. Flinn	<C> Chairman and Chief Executive Officer (Principal Executive Officer)	February 16, 1995
/s/ RALPH E. HUTCHINS, JR. ----- Ralph E. Hutchins, Jr.	Chief Financial Officer and Corporate Secretary (Principal Financial Officer)	February 16, 1995

</TABLE>

<TABLE> <S> /s/ J. BRENT LEE ----- J. Brent Lee	<C> Corporate Treasurer and Comptroller (Principal Accounting Officer)	<C> February 16, 1995
---	---	--------------------------

----- Bernard W. Abrams	Director	
----- Ray C. Anderson	Director	
/s/ KENNETH W. CANNESTRA ----- Kenneth W. Cannestra	Director	February 16, 1995
/s/ JOHN S. CARR ----- John S. Carr	Director	February 16, 1995
/s/ SIDNEY E. JENNETTE, JR. ----- Sidney E. Jennette, Jr.	Director	February 16, 1995
/s/ LYNN H. JOHNSTON ----- Lynn H. Johnston	Director	February 16, 1995
/s/ WILLIAM M. McCLATCHEY, M.D. ----- William M. McClatchey, M.D.	Director	February 16, 1995
/s/ JOHN E. McKINLEY III ----- John E. McKinley, III	Director	February 16, 1995
----- Julia W. Morgan	Director	
/s/ BARRY PHILLIPS ----- Barry Phillips </TABLE>	Director	February 16, 1995

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<TABLE> <S> </S> </TABLE>	<C> Director	<C> February 16, 1995
/s/ BEN G. PORTER ----- Ben G. Porter	Director	February 16, 1995
/s/ JOHN W. ROBINSON, JR. ----- John W. Robinson, Jr.	Director	February 16, 1995
/s/ FELKER W. WARD, JR. ----- Felker W. Ward, Jr.	Director	February 16, 1995

Virgil R. Williams
</TABLE>

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EXHIBIT INDEX
TO
REGISTRATION STATEMENT ON FORM S-8

<TABLE>
<CAPTION>

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-----	-----	-----
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</TABLE>

AMENDED AND RESTATED ARTICLES OF INCORPORATION OF BANK SOUTH CORPORATION

AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
BANK SOUTH CORPORATION

Pursuant to Section 14-2-1007 of the Georgia Business Corporation Code, Bank South Corporation hereby amends and restates the Articles of Incorporation of Bank South Corporation in their entirety (with all provisions of the heretofore existing Articles of Incorporation being hereby amended) as follows:

ARTICLE ONE
Name

The name of the corporation is Bank South Corporation.

ARTICLE TWO
Nature of Business

The general nature of the businesses to be engaged in by the corporation shall be:

(a) To act as a holding company and to acquire and own stock and other interests in other businesses of any lawful character, including but not limited to banks, insurance agencies, mortgage loan and servicing businesses, data processing businesses, factors' businesses, and other financially oriented businesses;

(b) To operate insurance agencies; to make and acquire mortgage loans and render mortgage loan services; to render data processing services; to render factoring services; and to render other financial and business services;

(c) To purchase, own, hold, sell, transfer, exchange and lease personal and all property of every kind and description and wherever located.

In addition, the corporation shall have the power to engage in any other business in any way related to the above or in aid thereof, and to do all things and acts usually and lawfully done in the premises by similar corporations or persons engaged in like businesses.

ARTICLE THREE
Powers to Conduct Business

The corporation shall have all the powers necessary or convenient for the pursuit of its purposes and the transaction of its business; in addition, it shall have all the rights, powers,

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privileges and immunities which are now or may hereafter be allowed corporations under the laws of the State of Georgia, including all such powers, rights and immunities permitted by law but not set forth in this petition.

ARTICLE FOUR
Powers to Enter Contracts

The corporation shall have the power to enter into any partnership or joint venture with any individual or other corporation and to guarantee or become surety upon or to endorse the contracts or obligations of any other corporation, firm or individual, and to make any purely accommodation guaranty, endorsement or contract of suretyship, whether or not the corporation has any direct interest in the subject matter of the contract guaranteed, endorsed or in regard to which it is a surety.

ARTICLE FIVE
Duration

The corporation shall have perpetual duration.

ARTICLE SIX
Principal Office

The principal office of the corporation shall be 55 Marietta Street, N.W., Atlanta, Fulton County, Georgia, but the corporation shall have the privilege of establishing offices elsewhere, whether in the State of Georgia or otherwise.

ARTICLE SEVEN
Authorized Shares

A. The total number of shares of capital stock which the corporation shall have authority to issue is 105,000,000 shares, consisting of 100,000,000 shares of Common Stock of the par value of Five Dollars (\$5.00) each and 5,000,000 shares of Preferred Stock of the par value of Twenty-Five Dollars (\$25.00) each. The voting powers, designations, preferences and relative rights of the classes of stock of the corporation which are fixed by these Articles of Incorporation, and the authority expressly vested in the Board of Directors to fix by resolution or resolutions providing for the issue of Preferred Stock, the voting powers (if any), designations, preferences and relative rights of the shares of Preferred Stock which are not fixed by these Articles of Incorporation, are as follows:

(1) Subject to the provisions of any applicable law, or of the By-Laws of the corporation as from time to time amended, with respect to the fixing of a record

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date for the determination of stockholders entitled to vote and except as otherwise provided by any applicable law or by the resolution or resolutions of the Board of Directors providing for the issue of any series of Preferred Stock, the holders of outstanding shares of Common Stock shall have and possess exclusive voting power and rights for the election of directors and for all other purposes, with each holder of record of shares of Common Stock being entitled to one vote for each share of Common Stock standing in his name on the books of the corporation in the election of directors and on all other matters presented to the stockholders.

(2) Except as otherwise provided by applicable law, or by the resolution or resolutions of the Board of Directors providing for the issue of any series of Preferred Stock, the holders of shares of Preferred Stock, as such holders, (i) shall

not have any right to vote, and are hereby specifically excluded from the right to vote, in the election of directors or for any other purposes, and (ii) shall not be entitled to notice of any meeting of stockholders.

(3) Before any sum or sums shall be set aside or applied to the purchase of any outstanding Common Stock, and before any dividend shall be declared or paid or any distribution ordered or made upon the Common Stock (other than a dividend payable in shares of Common Stock), the corporation shall have complied with the dividend and sinking fund requirements (if any) set forth in any resolution or resolutions of the Board of Directors with respect to the issue of any series of Preferred Stock of which any shares shall at the time be outstanding.

(4) Subject to the provisions of subparagraph (A) (3) of this Article 7, and to such other limitations as may be specified in any resolution or resolutions of the Board of Directors providing for the issue of any series of Preferred Stock, the holders of Common Stock shall be entitled, to the exclusion of the holders of Preferred Stock of any and all series, to receive such dividends as may be declared by the Board of Directors from time to time.

(5) In the event of any liquidation, dissolution, or winding up of the corporation, whether voluntary or involuntary, after payment shall have been made to the holders of Preferred Stock of the full amount to which any series of the Preferred Stock is entitled as set forth in the resolution or resolutions of the Board of Directors providing for the issue thereof, the holders of Common Stock shall be entitled, to the exclusion of the holders of Preferred Stock of any and all series, to share in all remaining assets of the corporation available for distribution to its stockholders ratably according to the number of shares of Common Stock held by them. Neither the merger nor consolidation of the corporation with or into any other corporation or corporations, nor the merger or consolidation of any other corporation or corporations into or with the corporation, nor the sale, transfer, mortgage, pledge or lease by the corporation of all or any part of its assets shall be deemed to be a liquidation, dissolution or winding up of the corporation.

(6) The Preferred Stock may be issued from time to time in one or more series of any number of shares, except that the aggregate number of shares issued and not canceled of any and all such series shall not exceed the total number of shares of Preferred Stock hereinbefore authorized. Each series of Preferred Stock shall be distinctively designated by number, letter or descriptive words.

(7) Authority is hereby expressly granted to and vested in the Board of Directors to issue the Preferred Stock at any time, or from time to time, as Preferred Stock of any one or more series and in connection with the establishment of each such series to fix by resolution or resolutions providing for the issue of the shares thereof the voting powers, if any, and the designation, preferences and relative rights of each such series of Preferred Stock to the full extent now or thereafter permitted by these Articles of Incorporation and the laws of the State of Georgia, including, without limiting the generality of the foregoing, all of the following matters which may vary between each series:

(a) The distinctive designation of such series and the number of shares which constitute such series, which number may be increased or decreased either before or subsequent to the issuance of any shares of such series (but not below the number of shares then outstanding), from time to time by action of the Board of Directors;

(b) The dividend rate of such series, the dates of payment thereof, and any limitations, restrictions, or conditions on the payment of dividends, including whether dividends shall be cumulative and, if so, from which date or dates, and the relative rights or priority, if any, of payment of dividends on shares of each series;

(c) The price or prices at which, and the terms, times and conditions on which, the shares of such series may be redeemed at the option of the corporation;

(d) The amount or amounts payable upon the shares of such series in the event of voluntary or involuntary liquidation, dissolution or winding up of the corporation, and the relative rights of priority, if any, of payment to the holders of shares of each series;

(e) Whether or not the shares of such series shall be entitled to the benefit of a sinking

fund or a purchase fund to be applied to the redemption or purchase of such series, and if so entitled, the amount of such fund and the manner of its application, including the price or prices at which the shares of such series may be redeemed or purchased through the application of such fund;

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(f) Whether or not the shares of such series shall be made convertible into, or exchangeable for, shares of any other class or classes of stock of the corporation, or the shares of any other series of Preferred Stock, and, if made so convertible or exchangeable, the conversion price or prices, or the rate or rates of exchange, and the adjustments thereof, if any, at which such conversion or exchange may be made, and any other terms and conditions of such conversion or exchange;

(g) Whether or not the shares of such series shall have any voting powers and, if voting powers are so granted, the extent of such voting powers and the terms and conditions under which such voting powers may be exercised;

(h) Whether or not the issue of any additional shares of such series or of any future series in addition to such series shall be subject to restrictions in addition to the restrictions, if any, on the issue of additional shares imposed in the resolution or resolutions fixing the terms of any outstanding series of Preferred Stock theretofore issued pursuant to this Article 7 and, if subject to additional restrictions, the extent of such additional restrictions; and

(i) Whether or not the shares of such series shall be entitled to the benefit of limitations restricting the purchase of, the payment of dividends on, or the making of other distributions

in respect of stock of any class of the corporation, and the terms of any such restrictions; provided, however, that such restrictions shall not include any prohibition of the payment of dividends on any series of Preferred Stock.

B. The corporation may purchase its own shares of capital stock out of unreserved and unrestricted earned surplus and capital surplus available therefor and as otherwise provided by law.

C. The Board of Directors may from time to time distribute to stockholders out of capital surplus of the corporation a portion of its assets, in cash or in property.

Series A Participating Preferred Stock

The Board of Directors of the corporation, in April 1988, created the Series A Participating Preferred Stock of the corporation. In April 1994, the number of shares constituting such series was increased to 700,000. The designation, amount, voting powers, preferences and relative, participating, optional and other special rights of the shares of such series, and the qualifications, limitations or restrictions thereof are as follows:

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1. Designation and Amount. The shares of such series shall be designated as "Series A Participating Preferred Stock" (the "Series A Preferred Stock") and shall have a par value of \$25.00 per share. The number of shares constituting such series shall be 700,000.

2. Dividends and Distributions.

(i) The holders of shares of Series A Preferred Stock, in preference to the holders of Common Stock and of any other junior stock, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the last day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series A Preferred Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (a) \$10.00 or (b) subject to the provision for adjustment hereinafter set forth, 100 times the aggregate per share amount of all cash dividends, and 100 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions other

than a dividend payable in shares of Common Stock of the corporation or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Preferred Stock. In the event the corporation shall at any time after the date hereof declare or pay any dividend on Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise) into a greater or lesser number of shares of Common Stock, then in each such case the amount to which holders of shares of Series A Preferred Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(ii) The corporation shall declare a dividend or distribution on the Series A Preferred Stock as provided in subparagraph (i) of this paragraph 2 immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, in the event no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of \$10.00 per share on the Series A Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(iii) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares of Series A Preferred Stock, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Series A Preferred Stock entitled to receive a quarterly dividend and before

such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment

Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series A Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of shares of Series A Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be not more than 30 days prior to the date fixed for the payment thereof.

3. Voting Rights. The holders of shares of Series A Preferred Stock shall have the following voting rights:

(i) Subject to the provision for adjustment hereinafter set forth, each share of Series A Preferred Stock shall entitle the holder thereof to 100 votes on all matters submitted to a vote of the shareholders of the corporation. In the event the corporation shall at any time after the date hereof declare or pay any dividend on Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise) into a greater or lesser number of shares of Common Stock, then in each such case the number of votes per share to which holders of shares of Series A Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(ii) Except as otherwise provided herein or by law, the holders of shares of Series A Preferred Stock and the holders of shares of Common Stock and any other capital stock of the corporation having general voting rights shall vote together as one class on all matters submitted to a vote of shareholders of the corporation.

(iii) Except as set forth herein, holders of Series A Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock and any other Capital Stock of the corporation having general voting rights as set forth herein) for taking any corporate action.

4. Certain Restrictions.

(i) Whenever quarterly dividends or other dividends or distributions payable on the Series A Preferred Stock as provided in paragraph 2 above are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series A Preferred Stock outstanding shall have been paid in full, the corporation shall not:

(a) declare or pay dividends on, or make any other distributions on, any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock;

(b) declare or pay dividends on or make any other distributions on an shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except dividends paid ratably on the Series A Preferred Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(c) redeem or purchase or otherwise acquire for consideration shares of any stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, provided that the corporation may at any time redeem, purchase or otherwise acquire shares of any such junior stock in exchange for shares of any stock of the corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Preferred Stock; or

(d) purchase or otherwise acquire for consideration any shares of Series A Preferred Stock, or any shares of stock ranking on a parity with the Series A Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(ii) The corporation shall not permit any subsidiary of the corporation to purchase or otherwise acquire for consideration any shares of stock of the corporation unless the corporation could, under subparagraph (i) of this paragraph 4, purchase or otherwise acquire such shares at such time and in such manner.

5. Reacquired Shares. Any shares of Series A Preferred Stock purchased or otherwise acquired by the corporation in any manner whatsoever shall be retired and canceled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Preferred Stock and may be reissued as part of a new series of Preferred Stock to be created by resolution or resolutions of the Board of Directors, subject to the conditions and restrictions on issuance set forth herein.

6. Liquidation, Dissolution or Winding Up. Upon any liquidation, dissolution or winding up of corporation, no distribution shall be made (i) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock unless, prior thereto, the holders of shares of Series A Preferred Stock shall have received \$100 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, provided that the holders of shares of Series A Preferred Stock shall be entitled to receive an aggregate amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount to be distributed per share to holders of Common Stock, or (ii) to the holders of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except distributions made ratably on the Series A Preferred

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Stock and all other such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up. In the event the corporation shall at any time after the date hereof declare or pay any dividend on Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise) into a greater or lesser number of shares of Common Stock, then in each such case the aggregate amount to which holders of shares of Series A Preferred Stock were entitled immediately prior to such event under the proviso in clause (a) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

7. Consolidation, Merger, etc. In case the corporation shall enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case the shares of Series A Preferred Stock shall at the same time be similarly exchanged or changed in an amount per share (subject to the provision for adjustment hereinafter set forth) equal to 100 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may

be, into which or for which each share of Common Stock is changed or exchanged. In the event the corporation shall at any time after the date hereof declare or pay any dividend on Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise) into a greater or lesser number of shares of Common Stock, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Preferred Stock shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

8. No Redemption. The shares of Series A Preferred Stock shall not be redeemable; provided, however, that the corporation may purchase or otherwise acquire outstanding shares of Series A Preferred Stock in the open market or by offer to any holders of shares of Series A Preferred Stock.

9. Fractional Shares. Series A Preferred Stock may be issued in fractions of a share which shall entitle the holder, in proportion to such holders fractional shares, to exercise voting rights, receive dividends, participate in distributions and to have the benefit of all other rights of holders of Series A Preferred Stock.

10. Rank. The Series A Preferred Stock shall rank junior with respect to payment of dividends and on liquidation to all other series of the corporation's Preferred Stock that specifically provide that they shall rank senior to the Series A Preferred Stock.

11. Amendment. The Articles of Incorporation of the corporation shall not be limited in any manner that would materially alter or change the powers, preferences or special rights of the

Series A Preferred Stock so as to affect them adversely without the affirmative vote of the holders of two-thirds of the outstanding shares of Series A Preferred Stock, voting together as a single class.

ARTICLE EIGHT
No Preemptive Rights

No stockholder of the corporation shall, because of his ownership of stock, have a preemptive or other right to purchase, subscribe for, or take any part of any stock or any part of the notes, debentures, bonds, or other securities convertible into or carrying options or warrants to purchase stock of the corporation issued, optioned or sold by it after its incorporation. Any part of the capital stock and any part of the notes, debentures or other securities convertible into or carrying options or warrants to purchase stock of the corporation may at any time be issued, optioned for sale, and sold or disposed of by the corporation pursuant to action of its Board of Directors to such persons and upon such terms as may to such Board seem proper without first offering such stock or securities or any part thereof to existing stockholders.

ARTICLE NINE
Certain Business Combinations
Fair Price Provisions

A. (1) Subject to the provisions of any series of Preferred Stock which may at the time be outstanding and in addition to any affirmative vote required by law or these Articles of Incorporation, and except as otherwise expressly provided in paragraph B of this Article 9:

(a) any merger or consolidation of the corporation or any Subsidiary (as defined below) with (i) any Interested Shareholder (as defined below) or (ii) any other corporation (whether or not itself an Interests Shareholder) which is or after such merger or consolidation would be an Affiliate (as defined below) of any Interested Shareholder; or

(b) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Interested Shareholder or any Affiliate of any Interested Shareholder of any assets of the corporation or any Subsidiary having an aggregate Fair Market Value (as defined below) of \$1,000,000 or more; or

(c) the issuance or transfer by the corporation or any Subsidiary (in one transaction or a series of transactions) of any securities of the corporation or any Subsidiary to any Interested Shareholder or any Affiliate of any Interested Shareholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value of \$1,000,000 or more; or

(d) the adoption of any plan or proposal for the liquidation or dissolution of the corporation proposed by or on behalf of any Interested Shareholder or any Affiliate of any Interested Shareholder; or

(e) any reclassification of securities (including any reverse stock split) or recapitalization of the corporation or any merger or consolidation of the corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving an Interested Shareholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the corporation or any Subsidiary which is directly or indirectly owned by any Interested Shareholder or any Affiliate of any Interested Shareholder;

shall require the affirmative vote of the holders of at least 95% of the then outstanding shares of Common Stock of the corporation, including the affirmative vote of the holders of at least 95% of the then outstanding shares of Common Stock of the corporation other than those beneficially owned by such Interested Shareholder. Such affirmative votes shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified, by law or in any agreement with any national securities exchange or otherwise.

(2) The term "Business Combination" as used in this Article 9 shall mean any transaction which is referred to in any one or more of the clauses (a) through (e) of subparagraph (1) of this paragraph A.

B. The provisions of paragraph A of this Article 9 shall not be applicable to any particular Business Combination and such Business Combination shall require only such affirmative vote as is required by law and any other provisions of these Articles of Incorporation, if all of the conditions specified in either of the following subparagraphs (1) or (2) are met.

(1) The Business Combination shall have been approved by a majority of the Continuing Directors (as defined below); provided that such approval shall only be effective if obtained at a meeting at which a Continuing Director Quorum (as defined below) is present; or

(2) All of the following conditions shall have been met:

(a) The aggregate amount of (x) cash and (y) Fair Market Value as of the date of the consummation of the Business

Combination of other consideration to be received per share by holders of Common Stock in such Business Combination shall be at least equal to the highest amount determined under subclauses (i), (ii) and (iii) below:

(i) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Shareholder for any share of Common Stock of the corporation acquired by it (A) within the two year period immediately prior to the first

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public announcement of the proposal of the Business Combination (the "Announcement Date") or (B) in the transaction in which it became an Interested Shareholder, whichever is higher;

(ii) the Fair Market Value per share of Common Stock on the Announcement Date or on the date on which the Interested Shareholder became an Interested Shareholder (such later date is referred to in this Article 9 as the "Determination Date"), whichever is higher, and

(iii) (if applicable) the price per share equal to the Fair Market Value per share of Common Stock determined pursuant to subparagraph (2)(a)(ii) above, multiplied by the ratio of (A) the highest commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Shareholder for any shares of Common Stock of the corporation acquired by it within the two year period immediately prior to the Announcement Date to (B) the Fair Market Value per share of Common Stock of the corporation on the first day in such two year period on which the Interested Shareholder acquired any shares of Common Stock.

(b) The aggregate amount of (x) cash and (y) Fair Market Value as of the date of the consummation of the Business Combination of other consideration to be received per share by

holders of shares of any class of outstanding Preferred Stock of the corporation shall be at least equal to the highest amount under subclauses (i), (ii), (iii) and (iv) below:

(i) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Shareholder for any shares of such class of Preferred Stock acquired by it (A) within the two year period immediately prior to the Announcement Date or (B) in the transaction in which it became an Interested Shareholder, whichever is higher;

(ii) the highest preferential amount per share to which the holders of shares of such class of Preferred Stock would be entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the corporation, regardless of whether the Business Combination to be consummated constitutes such an event;

(iii) the Fair Market Value per share of such class of Preferred Stock on the Announcement Date or on the Determination Date, whichever is higher; and

(iv) (if applicable) the price per share equal to the Fair Market Value per share of such class of Preferred Stock determined pursuant to subparagraph (2)(b)(iii) above, multiplied by the ratio of (A) the highest per

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share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Shareholder for any shares of such class of Preferred Stock acquired by it within the two year period immediately prior to the Announcement Date to (B) the Fair Market Value per share of such class of Preferred Stock on the first day in such two year period on which the Interested Shareholder acquired any shares of such

class of Preferred Stock.

The provisions of this subparagraph (2) (b) shall be required to be met with respect to every class of Preferred Stock of the corporation, whether or not the Interested Shareholder has previously acquired any shares of a particular class of Preferred Stock.

(c) The consideration to be received by holders of a particular class of outstanding stock shall be in cash or in the same form as the Interested Shareholder has previously paid for shares of such class of stock; if the Interested Shareholder has paid for shares of any class of any stock with varying forms of consideration, the form of consideration for such class of stock shall be either cash or the form used to acquire the largest number of shares of such class of stock previously acquired by it.

(d) After such Interested Shareholder has become an Interested Shareholder and prior to the consummation of such Business Combination, (i) except as approved by a majority of the Continuing Directors, there shall have been no failure to declare and pay at the regular date therefor any dividends (whether or not cumulative) on outstanding Preferred Stock of the corporation; (ii) there shall have been (A) no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any subdivision of the Common Stock), except as approved by a majority of the Continuing Directors, and (B) an increase in such annual rate of dividends as necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of Common Stock, unless the failure so to increase such annual rate is approved by a majority of the Continuing Directors; and (iii) such Interested Shareholder shall not have become the beneficial owner of any additional shares of Common Stock except as part of the transaction which results in such Interested Shareholder becoming an Interested Shareholder. The approval by a majority of the Continuing Directors of any exception to the requirements set forth in clauses (i) and (ii) above shall only be effective if obtained at a meeting at which a Continuing Director Quorum is present.

(e) After such Interested Shareholder has become an Interested Shareholder, such Interested Shareholder shall not have received the benefit, directly or indirectly (except proportionately as a shareholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the corporation, whether in anticipation of or in connection with such Business Combination or otherwise.

(f) A proxy statement complying with the requirements of the Securities and Exchange Act of 1934, whether or not the corporation is then subject to such requirements, shall be mailed to the shareholders of the corporation for the purpose of soliciting shareholder approval of such Business Combination and shall contain at the front thereof, in the prominent place (i) any recommendations as to the advisability (or inadvisability) of the Business Combination which the Continuing Directors may choose to state, and (ii) the opinion of a reputable national investment banking firm as to the fairness (or lack thereof) of the terms of the Business Combination, from the point of view of the remaining public shareholders of the corporation (such investment banking firm to be engaged solely on behalf of the remaining public shareholders, to be paid a reasonable fee for its services by the corporation upon receipt of such opinion, to be an investment banking firm which has not previously been associated with the Interested Shareholder and, if there are at the time any such directors, to be selected by a majority of the Continuing Directors).

C. For the purposes of this Article 9:

(1) The term "person" shall mean any individual, firm, corporation or other entity.

(2) The term "Interested Shareholder" shall mean any person (other than the corporation or any Subsidiary and other than any profit-sharing, employee stock ownership or other employee benefit plan of the corporation or any Subsidiary or any trustee of or fiduciary with respect to any such plan when acting in such capacity) who or which:

(a) is the beneficial owner (as hereinafter defined) of more than twenty percent (20%) of the corporation's Common stock; or

(b) is an Affiliate (as hereinafter defined) of the corporation and at any time within the two year period immediately prior to the date of the determination was the beneficial owner of more than twenty

percent (20%) of the corporation's Common Stock; or

(c) is an assignee of or has otherwise succeeded to any shares of the corporation's Common Stock which were at any time within the two year period immediately prior to the date of the determination beneficially owned by any Interested Shareholder, if such assignment or succession shall have occurred in the course of a transaction or series of transactions not involving a public offering within the meaning of the Securities Act of 1933.

(3) A person shall be a "beneficial owner" of any Common Stock:

(a) which such person or any of its Affiliates or Associates (as hereinafter defined) beneficially owns, directly or indirectly; or

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(b) which such person or any of its Affiliates or Associates has, directly or indirectly, (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time), pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise, or (ii) the right to vote pursuant to any agreement, arrangement or understanding; or

(c) which is beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of Common Stock.

(4) For the purposes of determining whether a person is an Interested Shareholder pursuant to subparagraph (2) of this paragraph C, the number of shares of Common Stock deemed to be

outstanding shall include shares deemed owned through application of subparagraph (3) of this paragraph C but shall not include any other shares of Common Stock which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(5) The terms "Affiliate" or "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on March 1, 1983.

(6) The term "Subsidiary" means any corporation of which a majority of any class of equity security is owned, directly or indirectly, by the corporation; provided that for the purposes of the definition of Interested Shareholder set forth in subparagraph (2) of this paragraph C, the term "Subsidiary" shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the corporation.

(7) The term "Continuing Director" means any member of the Board of Directors of the corporation (the "Board") who is unaffiliated with the Interested Shareholder and was a member of the Board prior to the time that the Interested Shareholder became an Interested Shareholder, and any successor of a Continuing Director who is unaffiliated with the Interested Shareholder and is recommended or elected to succeed a Continuing Director by a majority of Continuing Directors, provided that such recommendation or election shall only be effective if made at a meeting at which a Continuing Director Quorum is present.

(8) The term "Continuing Director Quorum" means the number of Continuing Directors equal to the greater of a majority of the Continuing Directors in office immediately prior to the time that the Interested Shareholder became an Interested Shareholder or nine continuing Directors, and which are capable of

exercising the powers conferred upon them under the provisions of the Articles of Incorporation or By-Laws of the corporation or by

law.

(9) The term "Fair Market Value" means, as of any date, (i) in case of stock, the highest closing sale price during the 30 consecutive days immediately preceding such date of a share of such stock on the Composite Tape for New York Stock Exchange-Listed Stocks; or, if such stock is not quoted on the Composite Tape, on the New York Stock Exchange; or, if such stock is not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed; or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the 30 consecutive days preceding such date on the National Association of Securities Dealers Automated Quotations System or any system then in use, or, if no such quotations are available, the fair market value on such date of a share of such stock as determined in good faith by a majority of Continuing Directors, provided that such determination shall only be effective if made at a meeting at which a Continuing Director Quorum is present; and (ii) in the case of property other than cash or stock, the fair market value of such property on such date as determined in good faith by a majority of Continuing Directors, provided that such determination shall only be effective if made at a meeting at which a Continuing Director Quorum is present.

(10) In the event of any Business Combination in which the corporation survives, the phrase "other consideration to be received," as used in subparagraphs (2)(a) and (b) of paragraph B of this Article 9 shall include the shares of Common Stock and/or the shares of any other class of stock retained by the holders of such shares.

D. Nothing contained in this Article 9 shall be construed to relieve any Interested Shareholder from any fiduciary obligation imposed by law.

E. The provisions of this Article 9 may not be repealed or amended in any respect, unless such action is approved by the affirmative vote of the holders of not less than 95% of the outstanding shares of Common Stock of the corporation, subject to the provisions of any series of Preferred Stock which may at the time be outstanding; provided that if there is an Interested Shareholder, such 95% vote must include the affirmative vote of the holders of at least 95% of the outstanding shares of Common stock other than those beneficially owned by the Interested Shareholder, subject to the provisions of any series of Preferred Stock which may at the time be outstanding.

ARTICLE TEN
Certain Business Combinations
Minimum Voting Requirements

A. Subject to the provisions of any series of Preferred Stock which may at the time be outstanding, the affirmative vote of the holders of not less than 75% of the outstanding shares of Common Stock of the corporation and the affirmative vote of the holders of not less than 66-2/3% of the outstanding shares of Common Stock of the corporation other than those beneficially owned (as defined in Article 9) by an Interested Shareholder (as defined in Article 9) (the "two-tier voting requirement"), shall be required for the approval or authorization of any Business Combination (as defined in Article 9) of the corporation with such Interested Shareholder; provided that the two-tier voting requirement shall not be applicable if the Business Combination was approved by a majority of the Continuing Directors (as defined in Article 9) at the meeting at which a Continuing Director Quorum (as defined in Article 9) is present.

B. The provisions of this Article 10 may not be repealed or amended in any respect, unless such action is approved by the affirmative vote of the holders of not less than 75% of the outstanding shares of Common Stock of the corporation, subject to the provisions of any series of Preferred Stock which may at the time be outstanding; provided that if there is an Interested Shareholder, such 75% vote must include the affirmative vote of the holders of at least 66-2/3% of the outstanding shares of Common Stock other than those beneficially owned by the Interested Shareholder, subject to the provisions of any series of Preferred Stock which may at the time be outstanding.

ARTICLE ELEVEN
Business Combinations
Constituents

The Board of Directors of the corporation, when evaluating any offer of another person (as defined in Article 9) to (a) make a tender or exchange offer for any equity security of the corporation, (b) merge or consolidate the corporation with another person, or (c) purchase or otherwise acquire all or substantially all of the properties and assets of the corporation (an "Acquisition Proposal"), shall, in connection with the exercise of its business judgment in determining what is in the best interests of the corporation and its shareholders, give due consideration to all relevant factors, including without limitation the consideration being offered in the Acquisition Proposal in relation to the then-current market price, but also in

relation to the then-current value of the corporation in a freely negotiated transaction and in relation to the Board of Directors' then estimate of the future value of the corporation as an independent entity, the social and economic effects on the employees, customers, suppliers and other constituents of the corporation and its subsidiaries and the communities in which the corporation and its subsidiaries operate or are located and the desirability of maintaining independence from any other banking entity.

ARTICLE TWELVE
Limitation of Director Liability

No director of the corporation shall be personally liable to the corporation or its shareholders for monetary damages for breach of his duty of care or other duty as a director; provided that this provision shall eliminate or limit the liability of a director only to the extent permitted from time to time by the Georgia Business Corporation Code or any successor law or laws.

These Amended and Restated Articles of Incorporation do not contain amendments requiring shareholder approval, and were duly adopted in accordance with the applicable provisions of Section 14-2-1002 of the Georgia Business Corporation Code by the directors of the corporation effective as of May 19, 1994.

These Amended and Restated Articles of Incorporation supersede the original Articles of Incorporation as heretofore amended.

IN WITNESS WHEREOF, the undersigned executes these Amended and Restated Articles of Incorporation this 19th day of May, 1994.

BANK SOUTH CORPORATION

By: /s/ JANE A. RATNER

Name: Jane A Ratner
Title: Corporate Counsel

AMENDED AND RESTATED BYLAWS OF BANK SOUTH CORPORATION

AMENDED AND RESTATED BYLAWS

OF

BANK SOUTH CORPORATION

As Amended through February 16, 1995

AMENDED AND RESTATED BYLAWS

OF
BANK SOUTH CORPORATION

ARTICLE I
OFFICES

SECTION 1. REGISTERED OFFICE. The corporation shall maintain at all times a registered office in the State of Georgia and a registered agent at that office.

SECTION 2. OTHER OFFICES. The corporation may also have offices at such other places both within and without the State of Georgia as the business of the corporation may require or make desirable.

ARTICLE II
SHAREHOLDERS MEETINGS

SECTION 1. REGULAR MEETINGS. The regular meeting of the shareholders of the corporation shall be held at the principal office of the corporation or at such other place in the United States as may be determined by the board of directors, at 11:00 a.m. on the third Thursday of the fourth month following the close of each fiscal year, or at such other date and time as shall be determined by the board of directors, for the purpose of electing directors and transacting such other business as may properly be brought before the meeting.

SECTION 2. SPECIAL MEETINGS. (a) Special meetings shall be called by the president or the secretary (i) when so directed by a majority of the entire board of directors or (ii) upon a shareholder demand made in accordance with the requirements of the Georgia Business Corporation Code, as amended from time to time.

(b) Promptly after the receipt of written shareholder demands purporting to comply with the provisions of the Georgia Business Corporation Code, as amended from time to time (the 'Filing Date'), the corporation shall engage independent inspectors for the purpose of determining the validity of the demand(s) and any revocations thereof. Within 15 calendar days of the Filing Date, such independent inspectors shall deliver to the corporation a written report stating whether the demand comports with the requirements of the Georgia Business Corporation Code, as amended from time to time. If such written report states that the demand is adequate, or if no report is delivered by the independent inspectors within 15 calendar days of the Filing Date, the President or the Secretary of the corporation shall call a special shareholders meeting by mailing notice within 15 days after receipt of the report by said independent inspectors or after the expiration of the reporting period.

(c) The time, date, and place of any special shareholders meeting shall be determined by the board of directors and shall be set forth in the notice of meeting.

SECTION 3. NOTICE OF MEETINGS. Unless otherwise required by law or specified in the articles of incorporation or these bylaws, written notice of every meeting of shareholders, stating the place, date and hour of the meeting, shall be given, in a manner permitted by applicable law, to each shareholder of record entitled to vote at such meeting not less than 10 nor more than 60 days prior to the date of the meeting.

SECTION 4. QUORUM. The holders of a majority of the shares outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the shareholders (except as otherwise provided by law, the articles of incorporation or these bylaws). If a quorum is not present at any meeting of the shareholders, the holders of a majority of the shares present (in person or represented by proxy) and entitled to vote thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the original meeting.

SECTION 5. VOTING. Unless otherwise provided by law, the articles of incorporation, or certificates of designations with respect to any class of preferred stock, each outstanding share, regardless of class, shall be entitled to one vote on each matter voted on at a shareholders meeting. If a quorum exists, action on a matter, other than the election of directors, is approved by a voting group (as defined under applicable law) if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless the articles of incorporation, these bylaws, resolution of the board of directors, or applicable law require a different vote. Directors shall be elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present. A shareholder may vote his shares in person or by proxy; a shareholder may appoint a proxy to vote or otherwise act for him by signing an appointment form. An appointment of a proxy is valid for 11 months unless a shorter or longer period is expressly provided in the appointment form.

SECTION 6. LIST OF SHAREHOLDERS; INSPECTION OF RECORDS. (a) The corporation shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of its shareholders, giving their names and addresses and the number, class and series, if any, of the shares held by each.

(b) Shareholders are entitled to inspect the corporate records as provided in the Georgia Business Corporation Code, as amended from time to time.

ARTICLE III
DIRECTORS

SECTION 1. POWERS. Except as otherwise provided by any legal agreement among shareholders, the property, affairs and business of the corporation shall be managed and directed by its board of directors, which may exercise all powers of the corporation and do all lawful acts and things which are not (by law, by any legal agreement among shareholders, by the articles of incorporation or by these bylaws) directed or required to be exercised or done by the shareholders.

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SECTION 2. NUMBER, ELECTION AND TERM. The number of directors which shall constitute the whole Board shall be not less than five (5) nor more than twenty-five (25), with the exact number of directors being established by resolution of the Board of Directors from time to time; provided, however that no decrease shall have the effect of shortening the term of any incumbent director. The directors shall be elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present, except as hereinafter provided, and each director elected shall hold office until his successor is elected and qualified or until his earlier resignation, removal from office, or death. Directors shall be natural persons who have attained the age of 21 years, but need not be residents of the State of Georgia or shareholders of the corporation. Directors will not be elected for terms beginning after their seventieth birthday. The board, from time to time, may designate persons to act as advisory directors, and directors who retire from the board because of age may be designated as advisory directors.

SECTION 3. NOMINATIONS. If any shareholder intends to nominate or cause to be nominated any candidate for election to the Board of Directors (other than any candidate to be sponsored by and proposed at the instance of the management), such shareholder shall notify the President by first class registered mail sent not less than 14 nor more than 50 days before the scheduled meeting of the shareholders at which directors will be elected. However, if less than 21 days notice of the meeting is given to shareholders, such nomination shall be delivered or mailed to the President not later than the close of the seventh day following the date on which the notice of the shareholders' meeting was mailed. Such notification shall contain the following information, to the extent known to the shareholder giving such

notification:

- (1) The names and addresses of each nominee to be proposed;
- (2) Their principal present occupations;
- (3) To the knowledge of the shareholder who proposed to make such nominations, the total number of shares that may be voted for each of the proposed nominees; and
- (4) The names and address of the shareholders who propose to make such nominations, and the number of shares of the corporation owned by each of such shareholders.

Any nominations for directors not in accordance with this requirement may be disregarded by the Chairman of the meeting, and upon instruction by the Chairman, votes cast for each such nominee shall be disregarded by vote tellers. In the event, however, a person should be nominated by more than one shareholder, and if one such nomination complies with this requirement, such nomination shall be honored, and all shares voted for such nominee shall be counted.

SECTION 4. VACANCIES. Vacancies, including vacancies resulting from any increase in the number of directors, but not including vacancies resulting from removal from office by the shareholders (except as provided in Section 9 of this Article), may be filled by the board of directors or by a majority of the directors then in office (if the directors remaining in office constitute less than a quorum), and a director so chosen shall hold office until the next annual election and until his successor is duly elected and

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qualified, unless sooner displaced. If there are no directors in office, then vacancies shall be filled through election by the shareholders.

SECTION 5. MEETINGS AND NOTICE. The board of directors of the corporation may hold meetings, both regular and special, either within or without the State of Georgia. Regular meetings of the board of directors may be held without notice at such time and place as shall from time to time be determined by resolution of the board. Special meetings of the board may be called by the chairman of the board or by any three directors upon one day

notice given in a manner permitted by law. Such notice shall state a reasonable time, date and place of meeting, but the purpose need not be stated therein. Unless otherwise provided by law, the articles of incorporation or these bylaws, directors may participate in a meeting of the board, or any committee thereof, by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other. Participation in the meeting shall constitute presence in person.

SECTION 6. QUORUM. At all meetings of the board a majority of directors shall constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the board, except as may be otherwise specifically provided by law, by the articles of incorporation, by these bylaws or by contract. If a quorum shall not be present at any meeting of the board, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

SECTION 7. CONSENT OF DIRECTORS. Unless otherwise restricted by the articles of incorporation of these bylaws, any action required or permitted to be taken at any meeting of the board of directors or of any committee thereof may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken and signed by each director or committee member, and the writing or writings are delivered to the corporation for inclusion in the minutes or filing with the corporate records. Such consent shall have the same force and effect as a unanimous vote of the board of committee, as the case may be.

SECTION 8. COMMITTEES. The board of directors may by resolution create one or more committees and appoint one or more members of the board of directors to serve on them. The board may designate one or more directors as alternate members of any committee, who may replace any absent member at any meeting of such committee. Any such committee, to the extent provided in the resolution, shall have and may exercise all of the authority of the board of directors in the management of the business and affairs of the corporation, subject to limitations imposed by law or the articles of incorporation. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the board of directors. A majority of each committee may determine its action and may fix the time and places of its meetings, unless otherwise provided by the board of directors. Each committee shall keep regular minutes of its meetings and report the same to the board of directors when required.

In addition to any other committees that may be established by the board of directors pursuant to this Section 8, there shall be a committee known as the executive committee which shall be composed of not less than three nor more than six directors appointed by the board. The executive committee shall meet regularly at such times as it may fix and shall make a report of its actions to the board, which may

be either verbal or in writing. The executive committee shall have and may exercise the powers of the board of directors in the management of the affairs and property of the corporation in the interim between meetings of the board, subject to limitations imposed by law or the articles of incorporation. The board may in appointing the committee elect one of its members as chairman to preside and perform any and all other duties designated by the committee.

SECTION 9. REMOVAL OF DIRECTORS. At any shareholders meeting, with respect to which notice of such purpose has been given, any director may be removed from office, with or without cause, by a majority of the votes entitled to be cast, and his successor may be elected at the same or any subsequent meeting of shareholders; provided that to the extent any vacancy created by such removal is not filled through an election within 130 days after such removal, the remaining directors, by majority vote, shall be entitled to fill any such vacancy.

SECTION 10. COMPENSATION OF DIRECTORS. Directors shall be entitled to such compensation for their services as directors or members of any committee of the board as shall be fixed from time to time by resolution adopted by the board, and shall also be entitled to reimbursement for any reasonable expenses incurred in attending any meeting of the board or any such committee.

ARTICLE IV OFFICERS

SECTION 1. NUMBER. The officers of the corporation shall be chosen by the board of directors and shall be a President and a Secretary. The board of directors may also choose a Chairman of the Board, Vice Presidents, one or more Assistant Secretaries, a Treasurer and one or more Assistant Treasurers. Any number of offices, except the offices of President and Secretary, may be held by the same person. The board of directors may appoint such other officers and agents as it shall deem necessary.

SECTION 2. COMPENSATION. The salaries of all officers and agents of the corporation shall be fixed by the board of directors or a committee or officer appointed by the board.

SECTION 3. TERM OF OFFICE. Unless otherwise provided by resolution of the board of directors, the principal officers shall be chosen annually by

the board of directors at the first meeting of the board following the regular meeting of shareholders of the corporation, or as soon thereafter as is conveniently possible. Subordinate officers may be elected from time to time. Each officer shall serve until his successor shall have been chosen and qualified, or until his death, resignation or removal.

SECTION 4. REMOVAL. Any officer may be removed from office at any time, with or without cause, by the board of directors, whenever in its judgment the best interests of the corporation will be served thereby.

SECTION 5. VACANCIES. Any vacancy in an office, existing for any reason, may be filled by the board of directors.

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SECTION 6. POWERS AND DUTIES. Except as otherwise provided by law, the articles of incorporation or these bylaws, or as hereinafter provided, the officers of the corporation shall each have such powers and duties as from time to time may be conferred by the board of directors.

(a) President. The President shall be the chief executive officer of the corporation, shall preside as chairman at all meetings of shareholders (unless the board shall have created an office of Chairman of the Board), and shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the board of directors are carried into effect. The President shall have such authority as generally pertains to the office of president.

(b) Secretary. The Secretary shall attend all meetings of the board of directors and all meetings of the shareholders and record all the proceedings of the meeting of the corporation and of the board of directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the shareholders, and shall perform such other duties as may be prescribed by the board of directors or President, under whose supervision he shall be. He shall have custody of the corporate seal of the corporation and he, or an assistant secretary, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by his signature or by the signature of such assistant secretary. The board of directors may give general authority to any other officer to affix the seal of the corporation and to attest to affixing by his signature.

(c) Bonds and Sureties. If required by the board of directors, any officer or employee shall give the corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the board of directors for the faithful performance of the duties of his office and for the restoration to the corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation.

(d) Signatures. The signature of any officer, employee or agent upon any document of the corporation may be made by facsimile or machine signature under such limitations and circumstances as the board of directors or any appropriate committee of the board of directors may provide from time to time.

(e) Execution of Instruments, Documents, Etc. All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies, certifications, purchases, sales, cancellations, guaranties, and, without limiting the generality of the foregoing, any and all other instruments, documents, or contracts of any kind or character, may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the corporation by the Chairman of the Board, the President or any Vice President, or any Assistant Vice President, Cashier, or any other Officer. Any such instruments may also be executed, acknowledged, verified, delivered, accepted or attested in behalf of the corporation in such other manner by such other Officers as the Board of Directors may from time to time direct. The provisions of this Article IV, Section 6(e), are supplementary to any other provisions of these bylaws.

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SECTION 7. VOTING SECURITIES OF CORPORATION. Unless otherwise provided by the board of directors, the President shall have full power and authority on behalf of the corporation to attend and to act and vote at any meetings of security holders of corporations in which the corporation may hold securities, and at such meetings shall possess and may exercise any and all rights and powers incident to the ownership of such securities which the corporation might have possessed and exercised if it had been present. The board of directors by resolution from time to time may confer like powers upon any other person or persons.

ARTICLE V
INDEMNIFICATION

SECTION 1. RIGHT OF INDEMNIFICATION. The corporation shall indemnify each current and former director (and the heirs and legal representatives of such directors) to the maximum extent permitted by state law, but only to the extent not preempted by federal law.

SECTION 2. ADVANCE OF EXPENSES. The corporation shall advance expenses incurred by a current or former director with respect to any proceeding for which indemnification is available if such director complies with the provisions of applicable law.

SECTION 3. RIGHTS OF INDEMNIFICATION CUMULATIVE. The rights of indemnification provided in this Article V shall be in addition to any rights to which any director or officer or other person may otherwise be entitled under any bylaw, agreement, vote of shareholders, or otherwise, and shall be in addition to the power of the corporation to purchase and maintain insurance with respect to any director, officer or other person.

ARTICLE VI
CERTIFICATES OF STOCK

SECTION 1. FORM OF CERTIFICATE. Every holder of record of fully-paid shares in the corporation shall be entitled to have a certificate in such form as the board of directors may from time to time prescribe.

SECTION 2. LOST CERTIFICATES. The corporation may issue a new certificate in place of any certificate theretofore issued by the corporation and alleged to have been lost, stolen or destroyed, upon the making of an affidavit, in form and substance satisfactory to the corporation, of the fact by the person claiming the certificate to be lost, stolen or destroyed. The corporation may, in its discretion and as a condition precedent to the issuance thereof, together with such other conditions precedent that it may reasonably require, require the owner of such lost, stolen or destroyed certificate, or his legal representative, to advertise the same in such manner as it shall require and/or to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

SECTION 3. TRANSFERS. (a) Transfers of capital shares of the corporation shall be made only on the books of the corporation by the registered holder thereof, or by its duly authorized attorney, or with a

transfer clerk or transfer agent appointed as provided in Section 5 of this Article, and on surrender of the certificate or certificates for such shares properly endorsed and the payment of all taxes thereon.

(b) Except as otherwise provided by law or as provided elsewhere herein, the corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and for all other purposes, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof.

(c) Capital shares may be transferred by delivery of the certificates thereof, accompanied either by an assignment in writing on the back of the certificates or by separate written power of attorney to sell, assign and transfer the same, signed by the record holder thereof, or by his duly authorized attorney-in-fact, and accompanied by such evidence that all such signatures are genuine, as the corporation, at its option, may request, but no transfer shall affect the right of the corporation to pay any dividend upon the stock to the holder of record as the holder in fact thereof for all purposes, and no transfer shall be valid, except between the parties thereto, until such transfer shall have been made upon the books of the corporation as herein provided.

(d) The board may, from time to time, make such additional rules and regulations as it may deem expedient, not inconsistent with these bylaws or the articles of incorporation concerning the issue, transfer and registration of certificates for shares of the corporation, and nothing contained herein shall limit or waive any rights of the corporation with respect to such matters under applicable law or any subscriptions or other agreement by which the corporation is bound.

SECTION 4. RECORD DATE. In order that the corporation may determine the shareholders entitled to notice of or to vote at any regular meeting of shareholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of shares or for the purpose of any other lawful action, the board of directors may fix, in advance, a record date, which shall not be more than 70 days and, in case of a meeting of shareholders, not less than 10 days prior to the date on which the particular action requiring such determination of shareholders is to be taken.

SECTION 5. TRANSFER AGENT AND REGISTRAR. The board of directors may appoint one or more transfer agents or one or more transfer clerks and one or more registrars, and may require all certificates of shares to bear the signature or signatures of any of them.

ARTICLE VII
GENERAL PROVISIONS

SECTION 1. DISTRIBUTIONS. Distributions upon shares of the corporation, subject to the provisions, if any, of the articles of incorporation, or any lawful agreement among shareholders, may be declared by the board of directors at any regular or special meeting, pursuant to law. Distributions may be paid in cash or in property, subject to applicable provisions of the articles of incorporation. Before payment of

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any distribution, there may be set aside out of any funds of the corporation available for distribution such sum or sums as the directors from time to time, in their sole and absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing distributions, or for repairing or maintaining any property of the corporation, or for such other purpose as the directors shall think conducive to the interest of the corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

SECTION 2. FISCAL YEAR. The fiscal year of the corporation shall be fixed by resolution of the board of directors.

SECTION 3. SEAL. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal" and "Georgia." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

SECTION 4. BUSINESS COMBINATIONS. Sections 14-2-236 through 14-2-238 of the Official Code of Georgia Annotated (Supp. 1988) and Sections 14-2-1131 through 14-2-1133 of the Official Code of Georgia Annotated, effective on July 1, 1989, which set forth criteria to be met before a business combination as defined in O.C.G.A. Section 14-2-236 (and the corresponding Section 14-2-1131

of the Revised Georgia Business Corporations Code) involving the corporation shall become effective, shall apply in their entirety to the corporation, and all business combinations of the corporation shall be conducted in accordance with such Sections.

SECTION 5. SAVINGS CLAUSE. To the extent these bylaws conflict with any provision of any state or federal law as such laws may be amended from time to time, these bylaws shall be construed so as not to conflict with said law, and any discretionary actions made hereunder shall be made in accordance with applicable law.

ARTICLE VIII
AMENDMENTS

The board of directors shall have power to alter, amend or repeal these bylaws or adopt new bylaws, but any bylaws adopted by the board of directors may be altered, amended or repealed, and new bylaws may be adopted, by the shareholders if the votes cast within the applicable voting group favoring the action exceed the votes cast opposing the action, unless the articles of incorporation, these bylaws or applicable law requires otherwise.

OPINION OF ALSTON & BIRD

[Letterhead of Alston & Bird]

February 17, 1995

Bank South Corporation
55 Marietta Street
Atlanta, Georgia 30303

Re: Form S-8 Registration Statement

Gentlemen:

We have acted as counsel for Bank South Corporation, a Georgia corporation (the "Company"), in the preparation of the referenced Form S-8 Registration Statement relating to the Gwinnett Bancshares, Inc. Stock Option Plan (the "Plan") to be assumed by the Company in connection with the merger of Gwinnett Bancshares, Inc. with and into the Company, and the proposed offer of up to 261,713 shares of the Company's common stock, \$5.00 par value (hereinafter referred to as "Common Stock") upon exercise of options outstanding under the Plan. In connection with the preparation of said Registration Statement, we have examined originals or copies of corporate records, certificates of public officials and of officers of the Company and other instruments relating to the authorization and issuance of such shares of Common Stock as we have deemed relevant and necessary for the opinion hereinafter expressed.

On the basis of the foregoing, it is our opinion that the assumption of the Plan by the Company and the proposed offer thereunder of up to 261,713 shares of Common Stock have been duly authorized by the Board of Directors of the Company, and the shares, when issued in accordance with the terms and conditions of the Plan, will be legally issued, fully paid and nonassessable.

We hereby consent to the filing of this opinion as an exhibit to said Registration Statement on Form S-8 and further consent to the reference to our Firm wherever appearing in the Form S-8.

ALSTON & BIRD

By: /s/ LAURA G. THATCHER

Laura G. Thatcher

CONSENT OF ERNST & YOUNG LLP

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statement on Form S-8 pertaining to the Gwinnett Bancshares, Inc. Stock Option Plan (the "Plan") to be assumed by Bank South Corporation (the "Company") in connection with the merger of Gwinnett Bancshares, Inc. with and into the Company, of our report dated January 20, 1994, except for Note 19, as to which the date is January 31, 1994, with respect to the consolidated financial statements of the Company incorporated by reference in its Annual Report (Form 10-K) for the year ended December 31, 1993, filed with the Securities and Exchange Commission.

ERNST & YOUNG LLP

Atlanta, Georgia
February 21, 1995

CONSENT OF PRICE WATERHOUSE LLP

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 pertaining to the Gwinnett Bancshares, Inc. Stock Option Plan (the "Plan") to be assumed by Bank South Corporation (the "Company") in connection with the merger of Gwinnett Bancshares, Inc. with and into the Company, of our report dated January 16, 1992, relating to the consolidated statements of operations, of cash flows and of changes in shareholders' equity for the year ended December 31, 1991 of Bank South Corporation and its subsidiaries appearing in the 1993 Bank South Corporation Annual Report to Shareholders, which has been incorporated by reference in the Annual Report on Form 10-K of Bank South Corporation for the fiscal year ended December 31, 1993.

PRICE WATERHOUSE LLP

Atlanta, Georgia
February 21, 1995