

**PLAN AND AGREEMENT OF MERGER**

This Plan and Agreement of Merger is made and adopted as of the 31<sup>st</sup> day of March , 2010 by and between the PIEDMONT BAPTIST ASSOCIATION, INC., a North Carolina nonprofit corporation (hereinafter referred to as “PBA”) and the CENTRAL TRIAD BAPTIST ASSOCIATION, INC., a North Carolina nonprofit corporation (hereinafter referred to as “CTBA”). (PBA and CTBA may be referred to individually herein as a “Party” and collectively as the “Parties.”)

PBA and CTBA in consideration of mutual agreements and covenants herein contained, do hereby agree to the following:

**I. Representation and Warranties of the Parties to the Merger.**

**A. Piedmont Baptist Association, Inc.** PBA represents and warrants to CTBA as follows:

1) PBA is a nonprofit corporation duly organized on October 10, 1980, validly existing, duly qualified or licensed to do business and in good standing under the laws of the State of North Carolina. PBA is a nonprofit corporation organized and operated under the North Carolina Nonprofit Corporation Act.

2) PBA is a tax exempt organization under Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended.

3) PBA has the corporate power and authority to execute and deliver this Plan and Agreement of Merger, and to perform and consummate the transactions contemplated hereby. PBA has taken all action necessary to authorize the execution and delivery of this Plan and Agreement of Merger, the performance of its obligations hereunder, and the consummation of the transactions contemplated hereby.

4) There are no claims, suits, actions or proceedings pending or, to the knowledge of PBA, threatened, nor are there any investigations or reviews pending or, to the knowledge of PBA, threatened, against, relating to or affecting CTBA.

5) There is no material liability or obligation of any kind, whether accrued, absolute, fixed or contingent, of PBA that PBA has not disclosed to CTBA.

**B. Central Triad Baptist Association, Inc.** CTBA represents and warrants to PBA as follows:

1) CTBA is a nonprofit corporation duly organized on October 20, 2005, validly existing, duly qualified or licensed to do business and in good standing under the laws of the State of North Carolina. CTBA is a nonprofit corporation organized and operated under the North Carolina Nonprofit Corporation Act.

2) CTBA is a tax exempt organization under Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended.

3) CTBA has the corporate power and authority to execute and deliver this Plan and Agreement of Merger, and to perform and consummate the transactions contemplated hereby. CTBA has taken all action necessary to authorize the execution and delivery of this Plan and Agreement of Merger, the performance of its obligations hereunder, and the consummation of the transactions contemplated hereby.

4) There are no claims, suits, actions or proceedings pending or, to the knowledge of CTBA, threatened, nor are there any investigations or reviews pending or, to the knowledge of CTBA, threatened, against, relating to or affecting PBA.

5) There is no material liability or obligation of any kind, whether accrued, absolute, fixed or contingent, of CTBA that CTBA has not disclosed to PBA.

## **II. The Merger.**

**A. Merger; Effect of Merger.** Subject to the terms and conditions of this Plan and Agreement of Merger, at the Effective Time, CTBA shall be merged with and into PBA (the “Merger”). PBA, as a corporate entity, shall survive the merger herein contemplated, subject to the terms and provisions of this Agreement. The separate corporate existence of CTBA shall cease immediately upon the Effective Time. The Surviving Corporation shall be named Piedmont Baptist Association, Inc.

Immediately upon the Effective Time:

1) PBA shall possess all the rights, privileges, immunities, powers, purposes and franchises, of the Parties to the Merger, of a public, as well as a private nature, and shall be subject to all the restrictions, disabilities and duties of the Parties to the Merger, except as otherwise herein provided, and except as otherwise provided by law;

2) PBA shall be vested with all property, real, personal or mixed, and all debts due to the Parties to the Merger of whatever account, as well as all other things in action or belonging to the Parties to the Merger; and

3) Property of the Parties to the Merger shall thereafter be the property of PBA as they were of the Parties of the Merger and shall be physically transferred in a reasonable time to PBA. All rights of creditors and all liens upon any property of any of the Parties to the Merger shall be preserved unimpaired, limited in lien to the property affected by such liens immediately prior to the Effective Time, and all debts, liabilities, obligations and duties of the Parties to the Merger shall henceforth attach to, and are hereby assumed by PBA and may be enforced against it to the same extent as if such debts, liabilities, obligations and duties has been incurred or contracted by it.

4) Any bequest, devise, gift, grant, or promise contained in a will or other instrument of donation, subscription, or conveyance, that is made to CTBA and that takes effect or remains payable after the Merger, shall inure to PBA unless the will or other instrument otherwise specifically provides.

**B. Articles of Merger; Effective Time.** On the Closing Date or prior thereto to be effective on the Closing Date (as defined in Section 3 hereof), PBA and CTBA shall execute and file Articles of Merger with the North Carolina Department of the Secretary of State in accordance with the North Carolina Nonprofit Corporation Act.

The “Effective Time” shall be the time when the Merger becomes effective under the North Carolina Nonprofit Corporation Act.

**C. Articles of Incorporation.** The PBA Articles of Incorporation and all amendments adopted thereto, are hereby adopted as the Articles of Incorporation of PBA as the Surviving Corporation, and shall govern the affairs of the PBA as of and after the Effective Time.

**D. Board of Directors.** The Board of Directors of PBA, shall be expanded to fifteen (15) members and the following individuals will serve on the board:

ATTACH LIST

<u>Name</u>	<u>Term Expires</u>
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Thereafter, the directors of the Surviving Corporation shall be determined pursuant to its Articles of Incorporation and Bylaws.

**E. Officers.** The officers of PBA, as the Surviving Corporation, as of and after the Effective Time shall be;

ATTACH LIST

<u>Name</u>	<u>Office</u>
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Thereafter, the officers of the Surviving Corporation shall be determined pursuant to its Articles of Incorporation and Bylaws.

**F. Members.** All members of CTBA immediately prior to the Effective Time of the Merger shall, after the Effective Time, become members of PBA and shall be entitled to the rights and privileges and subject to the rules and regulations applicable to full time members in good standing of PBA.

**III. Closing.** The closing of the Merger (the “Closing”) shall be effective as of March 31, 2010 at 11:59:59 p.m.

**IV. Pre-Closing Covenants.**

**A. Conduct of the Activities of the Parties Pending the Closing.** During the period from the date hereof to the Closing Date, without the prior written consent of the other Party, or as expressly contemplated by this Plan and Agreement of Merger, each Party shall conduct its operations and activities in the usual and ordinary course of business and consistent with past practice and use its reasonable best efforts to keep available the services of its present officers and key employees, and preserve the relationships with members and others having relationships with such Party.

**B. Reasonable Best Efforts.** Prior to the Closing, upon the terms and subject to the conditions of this Plan and Agreement of Merger, the Parties agree to use their respective reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable (subject to any applicable laws) to consummate and make effective the Merger and the other transactions contemplated hereunder as promptly as practicable.

**C. Submission to the Membership of the Parties to the Merger.** This Plan and Agreement of Merger has been submitted to the members of PBA and CTBA for approval as required by North Carolina law and the Bylaws of PBA and the Bylaws of CTBA.

**V. Conditions to Closing.**

**A. Conditions to Merger.** The respective obligations of each Party to effect the Closing is subject to the satisfaction or waiver at or prior to the Closing of the following conditions:

1) Party Member Approvals. Each Party shall have received its members’ approval of the Merger and this Plan and Agreement of Merger.

2) Consents. The Parties shall have received consent, or the Parties shall have affirmatively waived the need for such consent, from each person or entity whose consent or approval is required in connection with the transactions contemplated hereby under any contract.

**VI. Termination.**

**A. This Agreement may be terminated at any time prior to the Closing:**

1) by the mutual written consent of the Parties;

2) by any Party, upon a breach of any representation, warranty, covenant or agreement on the part of another Party set forth in this Agreement, or if any representation or warranty of the Party shall have become untrue;

**B. Effect of Termination.** In the event of the termination of this Agreement as provided in Section 6.1. hereof, all of the obligations and liabilities of the Parties under this Agreement shall terminate. In the event of termination of this Agreement, each party shall be responsible for its own costs and expenses.

**VII. Binding Effect; Counterparts.** This Plan and Agreement of Merger shall be binding on all the Parties hereto, their successors and assigns. This Agreement may be executed in two or three counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

**VIII. Controlling Law/Statutory Merger.** The validity, effect, and interpretation of this instrument shall be controlled by the laws of the State of North Carolina. The Merger between PBA and CTBA under this Plan and Agreement of Merger shall be accomplished in accordance with the provisions of the North Carolina Nonprofit Corporation Act and the provisions of this Plan and Agreement of Merger shall be construed and interpreted in a manner consistent therewith.

**IX. Severability.** In the event that any provision of this Plan and Agreement of Merger is prohibited by or under the laws of any jurisdiction in which this Plan and Agreement of Merger may be used to or to which it may be applicable, such provision shall be, as to that jurisdiction, ineffective to the extent of such prohibition without invalidating thereby any of the remaining provisions of the Agreement, and the Parties hereto shall insofar as possible promptly negotiate and substitute therefore a new provision of reasonably similar effect which avoids such prohibition.

IN WITNESS WHEREOF, each of the Parties hereto, pursuant to authority duly granted by their respective Boards of Directors, has caused this Plan and Agreement of Merger to be executed by its President as the case may be, and their respective corporate seals, if any, to be affixed hereto, duly attested by their respective Secretaries, on the day and year first above written.

This the 31<sup>st</sup> day of March, 2010. .

**PIEDMONT BAPTIST ASSOCIATION, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CENTRAL TRIAD BAPTIST ASSOCIATION, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_