

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
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SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	CHANGE OF NAME		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Graystone Bank		03/25/2009	CORPORATION: PENNSYLVANIA
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Graystone Tower Bank		
<b>Street Address:</b>	100 Granite Run Drive		
<b>City:</b>	Lancaster		
<b>State/Country:</b>	PENNSYLVANIA		
<b>Postal Code:</b>	17601		
<b>Entity Type:</b>	CORPORATION: PENNSYLVANIA		
<b>PROPERTY NUMBERS Total: 3</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	3202960	YOUR LIFE, YOUR BANK	
Registration Number:	3483913	G	
Registration Number:	3487767	THE HOME OF GREAT REWARDS!	
<b>CORRESPONDENCE DATA</b>			
Fax Number:	(717)231-6637		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	717 237 6702		
Email:	kgold@rroads-sinon.com		
Correspondent Name:	Kevin M. Gold, Esquire		
Address Line 1:	PO Box 1146		
Address Line 2:	12th Floor		
Address Line 4:	Harrisburg, PENNSYLVANIA 17108-1146		
ATTORNEY DOCKET NUMBER:	9686/12		
NAME OF SUBMITTER:	Kevin M. Gold		

OP \$90.00 3202960

Signature:	/kmg/
Date:	04/06/2009
<p><b>Total Attachments: 35</b></p> <p>source=Graystone - Bank Articles#page1.tif source=Graystone - Bank Articles#page2.tif source=Graystone - Bank Articles#page3.tif source=Graystone - Bank Articles#page4.tif source=Graystone - Bank Articles#page5.tif source=Graystone - Bank Articles#page6.tif source=Graystone - Bank Articles#page7.tif source=Graystone - Bank Articles#page8.tif source=Graystone - Bank Articles#page9.tif source=Graystone - Bank Articles#page10.tif source=Graystone - Bank Articles#page11.tif source=Graystone - Bank Articles#page12.tif source=Graystone - Bank Articles#page13.tif source=Graystone - Bank Articles#page14.tif source=Graystone - Bank Articles#page15.tif source=Graystone - Bank Articles#page16.tif source=Graystone - Bank Articles#page17.tif source=Graystone - Bank Articles#page18.tif source=Graystone - Bank Articles#page19.tif source=Graystone - Bank Articles#page20.tif source=Graystone - Bank Articles#page21.tif source=Graystone - Bank Articles#page22.tif source=Graystone - Bank Articles#page23.tif source=Graystone - Bank Articles#page24.tif source=Graystone - Bank Articles#page25.tif source=Graystone - Bank Articles#page26.tif source=Graystone - Bank Articles#page27.tif source=Graystone - Bank Articles#page28.tif source=Graystone - Bank Articles#page29.tif source=Graystone - Bank Articles#page30.tif source=Graystone - Bank Articles#page31.tif source=Graystone - Bank Articles#page32.tif source=Graystone - Bank Articles#page33.tif source=Graystone - Bank Articles#page34.tif source=Graystone - Bank Articles#page35.tif</p>	

TO THE DEPARTMENT OF BANKING  
COMMONWEALTH OF PENNSYLVANIA

THE FIRST NATIONAL BANK OF GREENCASTLE

and

GRAYSTONE BANK

Commonwealth of Pennsylvania  
ARTICLES OF MERGER-BUSINESS 34 Page(s)



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ARTICLES OF MERGER  
UNDER BANK PLAN OF MERGER  
DATED AS OF NOVEMBER 12, 2008, AS AMENDED

Pursuant to Section 1603(f) of the Pennsylvania Banking Code of 1965, as amended and supplemented (the "Banking Code"), THE FIRST NATIONAL BANK OF GREENCASTLE, by its duly authorized officers, and GRAYSTONE BANK, by its duly authorized officers, hereby execute Articles of Merger under the seal of each institution, and set forth the following:

FIRST: The names of the parties to the Plan of Merger dated as of November 12, 2008, as amended by that certain Amendment No. 1 to Bank Plan of Merger dated December 23, 2008 (the "Plan of Merger"), are THE FIRST NATIONAL BANK OF GREENCASTLE, Greencastle, Pennsylvania, a national bank ("FNB Greencastle") and GRAYSTONE BANK, Lancaster, Pennsylvania, a Pennsylvania chartered bank ("Graystone").

Pursuant to the Plan of Merger, FNB Greencastle will merge with and into Graystone under the Articles of Incorporation of Graystone, pursuant to the provisions of and with the effect provided in Chapter 16 of the Banking Code.

SECOND: The name of the surviving institution is Graystone Tower Bank.

THIRD: The location and post office address of FNB Greencastle's principal place of business is 40 Center Square, Greencastle, Franklin County, Pennsylvania 17225. The location and post office address of Graystone's principal place of business is 100 Granite Run

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Drive, Lancaster, Lancaster County, Pennsylvania 17601; this will also be the location and post office address of the principal place of business of the surviving institution.

FOURTH: The Plan of Merger was approved by the Board of Directors of Graystone at a meeting of the Board called and held in accordance with the applicable provisions of the Banking Code on November 12, 2008, at the West Shore Country Club, 100 Brentwater Road, Camp Hill, Pennsylvania 17101. On March 25, 2009, the sole shareholder of common stock of Graystone, the only class of capital stock outstanding, approved, adopted and ratified the Plan of Merger via a unanimous consent in lieu of a meeting of shareholders in accordance with the Banking Code, representing approval by 100% of the total common stock of Graystone issued and outstanding, sufficient for approval by Graystone shareholders. The unanimous consent in lieu of a meeting of shareholders, which also constituted a waiver of all notice requirements with regard to approval of the Plan of Merger, was duly executed on behalf of Graystone Financial Corp., the sole shareholder of Graystone, by Andrew S. Samuel, President, and remains in full force and effect, as certified by Carl D. Lundblad, Secretary.

FIFTH: The Plan of Merger was approved by the Board of Directors of FNB Greencastle at a meeting of the Board called and held in accordance with the applicable provisions of the Banking Code on November 12, 2008, at FNB Greencastle's principal place of business. On March 4, 2009, the sole shareholder of common stock of FNB Greencastle, the only class of capital stock outstanding, approved, adopted and ratified the Plan of Merger via a unanimous consent in lieu of a meeting of shareholders, representing approval by 100% of the total common stock of FNB Greencastle issued and outstanding, sufficient for approval by FNB Greencastle shareholders. The unanimous consent in lieu of a meeting of shareholders, which also constituted a waiver of all notice requirements with regard to approval of the Plan of

Merger, was duly executed on behalf of Tower Bancorp, Inc., the sole shareholder of FNB Greencastle, by Jeffrey B. Shank, President, and remains in full force and effect, as certified by John H. McDowell, Secretary.

SIXTH: The names and addresses of the persons who will, upon consummation of the merger, be the Directors of the surviving institution are:

Andrew S. Samuel  
26 S. Alydar Blvd.  
Dillsburg, PA 17019

Klare S. Sunderland  
7 Deerburn Circle  
Mechanicsburg, PA 17050

Kenneth R. Lehman  
1408 N. Abingdon Street  
Arlington, VA 22207

Marcus Faust  
1730 Tall Tree Trail  
Chagrin Falls, OH 44033

Michael A. Peck  
501 Long Meadow Street  
Celebration, FL 34747

Charles C. Pearson, Jr.  
2641 Allen Glen Drive  
Mechanicsburg, PA 17055

Robert H. Schober  
2028 Mallard Drive  
Lancaster, PA 17601

Richard T. Reynolds  
9 Devonshire Road  
Mechanicsburg, PA 17050

Randall L. Horst  
215 East Orange Street  
Lancaster, PA 17602

William E. Pommerening  
2369 N. Vermont Street  
Arlington, VA 22207

Mark E. Gayman  
5460 Starny Hill Road  
Waynesboro, PA 17268

Terry L. Randall  
13101 Fountain Head Road  
Hagerstown, MD 21742

Harry D. Johnston  
1207 Back Run Road  
McConnellsburg, PA 17233

Jeffrey B. Shank  
856 McDowell Road  
Greencastle, PA 17225

Frederic M. Frederick  
11455 Bemisderfer Road  
Greencastle, PA 17225

Stephen E. Beck  
12199 Gehr Road  
Waynesboro, PA 17268

Patricia A. Carbaugh  
1396 Union Church Road  
McConnellsburg, PA 17233

Kermit G. Hicks  
P.O. Box 280  
Greencastle, PA 17225

James H. Craig, Jr.  
204 S. Ridge Avenue  
Greencastle, PA 17225

SEVENTH: Attached hereto as Exhibit "A" is a true and correct copy of the Plan of Merger, as amended, as approved and adopted by the respective Boards of Directors and shareholders in the manner and at the times, places and dates hereinabove set forth.

EIGHTH: That ARTICLES FIRST and THIRD of the Articles of Incorporation of Graystone, the surviving institution, are hereby amended to read as follows:

**FIRST: The name of the institution is Graystone Tower Bank.**


**THIRD: The purpose for which the institution is incorporated is to receive deposits, make loans and transact generally any and all business permitted to a bank and trust company, as defined in the Banking Code of 1965, as amended, and under any present or future laws of the Commonwealth of Pennsylvania.**

NINTH: It is requested that the Merger become effective at 12:02 a.m. on March 31, 2009, subject to receipt of all necessary approvals and the passing of all necessary time periods.

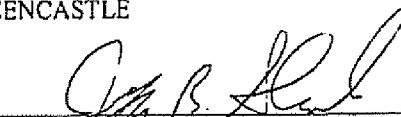
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IN WITNESS WHEREOF, the President and Secretary of FNB Greencastle and the President and Secretary of Graystone have each executed this instrument on behalf of their respective institutions, and caused their corporate seals to be affixed, as of the 25<sup>th</sup> day of March, 2009.


ATTEST:

  
\_\_\_\_\_  
John H. McDowell, Secretary  
(SEAL)

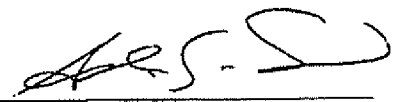
THE FIRST NATIONAL BANK OF  
GREENCASTLE

By:   
\_\_\_\_\_  
Jeffrey B. Shank, President

ATTEST:


  
\_\_\_\_\_  
Carl D. Lundblad, Secretary  
(SEAL)

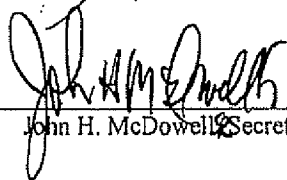
GRAYSTONE BANK

By:   
\_\_\_\_\_  
Andrew S. Samuel, President

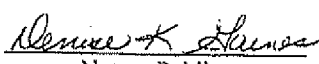
COMMONWEALTH OF PENNSYLVANIA )  
 ) SS:  
COUNTY OF Franklin )

BE IT REMEMBERED that on the 25<sup>th</sup> day of March, 2009, before me, a Notary Public in and for the County and State aforesaid, personally appeared Jeffrey B. Shank, President, and John H. McDowell, Secretary, of THE FIRST NATIONAL BANK OF GREENCASTLE, the institution which executed the foregoing Articles of Merger, who, being severally duly sworn or affirmed according to law, did depose and say that the foregoing Articles of Merger were duly signed, sealed and delivered as to the act and deed of the institution; that the seal affixed thereto is the common or corporate seal of the institution; and that the statements contained therein are correct and true.

  
\_\_\_\_\_  
Jeffrey B. Shank, President

  
\_\_\_\_\_  
John H. McDowell, Secretary

SWORN AND SUBSCRIBED  
to before me, the day and year  
above written.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 01-22-2013


(SEAL)

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Denise K. Gaines, Notary Public  
Peters Twp., Franklin County  
My Commission Expires Jan. 22, 2013  
Member, Pennsylvania Association of Notaries



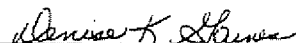
COMMONWEALTH OF PENNSYLVANIA )  
 ) SS:  
COUNTY OF *Franklin* )

BE IT REMEMBERED that on the 25<sup>th</sup> day of March, 2009, before me, a Notary Public in and for the County and State aforesaid, personally appeared Andrew S. Samuel, President, and Carl D. Lundblad, Secretary, of GRAYSTONE BANK, the institution which executed the foregoing Articles of Merger, who, being severally duly sworn or affirmed according to law, did depose and say that the foregoing Articles of Merger were duly signed, sealed and delivered as to the act and deed of the institution; that the seal affixed thereto is the common or corporate seal of the institution; and that the statements contained therein are correct and true.

  
\_\_\_\_\_  
Andrew S. Samuel, President

  
\_\_\_\_\_  
Carl D. Lundblad, Secretary

SWORN AND SUBSCRIBED  
to before me, the day and year  
above written.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: *01-22-2013*

(SEAL)

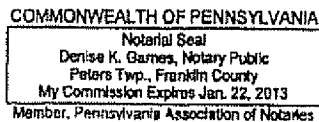


EXHIBIT "A"

Bank Plan of Merger, as Amended

[attached]

**BANK PLAN OF MERGER**

between

**THE FIRST NATIONAL BANK OF GREENCASTLE**

and

**GRAYSTONE BANK**

This Bank Plan of Merger made as of this 12<sup>th</sup> day of November 2008, between The First National Bank of Greencastle, a national banking association ("Greencastle") and Graystone Bank, a Pennsylvania banking institution ("Graystone Bank") (the two parties sometimes collectively referred to as the "Constituent Banks").

WHEREAS, Tower Bancorp, Inc., a Pennsylvania business corporation, of which Greencastle is a wholly-owned subsidiary, and Graystone Financial Corp., a Pennsylvania business corporation, of which Graystone Bank is a wholly-owned subsidiary, have entered into an Agreement and Plan of Merger of even date herewith (the "Agreement"), providing, among other things, for the execution of this Bank Plan of Merger and the merger (the "Bank Merger") of Greencastle and Graystone Bank, in accordance with the terms and conditions hereinafter set forth.

NOW, THEREFORE, the Constituent Banks, intending to be legally bound hereby, agree to effect the Bank Merger in accordance with the terms and conditions hereinafter set forth.

**SECTION 1. GENERAL.**

1.1 The Merger. On the Effective Date, as hereinafter defined, Greencastle shall be merged with and into Graystone Bank under the provisions of the Pennsylvania Banking Code of 1965, as amended (the "Banking Code"); the separate existence of Greencastle shall cease; and Graystone Bank shall be the surviving bank (the "Surviving Bank"), in accordance with this Bank Plan of Merger. The Effective Date shall be the date of the filing of the Articles of Merger with the Pennsylvania Department of State or the date as specified in such Articles of Merger as the Effective Date of the Bank Merger, as the case may be.

1.2. Name. The name of the Surviving Bank shall be "Graystone Tower Bank" and the location of its principal office shall be 100 Granite Run Drive, Lancaster, PA 17601.

1.3 Articles of Incorporation. At the Effective Date, the articles of incorporation of Graystone Bank shall be amended and restated as of the Effective Date as provided in Exhibit 1.

**EXECUTION COPY**

1.4 Bylaws. At the Effective Date, the bylaws of Graystone Bank shall be amended and restated as of the Effective Date as provided in Exhibit 2 and shall remain in full force and effect for three (3) years after the Effective Date unless amended by the approval of 80% of the entire Surviving Bank board of directors.

1.5 Effect of Bank Merger. On the Effective Date, the Surviving Bank shall succeed, without further act or deed to all of the property, rights, powers, duties and obligations of the Constituent Banks in accordance with the Banking Code. Any claim existing or action pending by or against the Constituent Banks may be prosecuted to judgment as if the Bank Merger had not taken place, and the Surviving Bank may be substituted in its place.

1.6 Continuation in Business. The Surviving Bank shall continue in business with the assets and liabilities of each of the Constituent Banks. The Surviving Bank shall be a banking institution organized and having perpetual existence under the laws of the Commonwealth of Pennsylvania. Any branch offices of the Surviving Bank shall consist of Greencastle's and Graystone Bank's present branch offices and any other branch office or offices that the Constituent Banks may be authorized to have as of the Effective Date.

1.7 Directors. On the Effective Date and for three (3) years thereafter, the total number of persons serving on the board of directors of the Surviving Bank shall be twenty (20) and shall be named in the Articles of Merger. Ten (10) of the twenty (20) persons to serve initially on the board of directors of the Surviving Bank at the Effective Date shall be designated by Greencastle board of directors and ten (10) of the twenty (20) persons shall be designated by the Graystone Bank board of directors from among the current directors of Graystone Bank and Greencastle, respectively who meet the eligibility requirements for a director under the Surviving Bank bylaws as amended pursuant to Section 1.4 above. Provided however, that since Greencastle has only nine (9) directors as of the date hereof, Greencastle shall be permitted to designate one (1) additional director who meets the eligibility requirements for a director under the Surviving Bank bylaws, as amended pursuant to Section 1.4 above, to serve on the Surviving Bank board of directors. In the event that, prior to the Effective Date, any person so selected to serve on the board of directors of Surviving Bank after the Effective Date is unable or unwilling to serve in such position, the respective board of directors from which such person was appointed shall designate another person to serve in such person's stead in accordance with the provisions of this Section 1.7. If, at the Effective Date or within three (3) years after the Effective Date a director formerly of Greencastle prior to the Effective Date (or appointed by Greencastle in accordance with this Section 1.7) or Graystone Bank prior to the Effective Date is unable or unwilling to continue to serve on the board of directors of Surviving Bank, then a successor to such person shall be chosen by a majority of the remaining directors who are then on the board of directors of Graystone Bank and who previously served on the board of directors from which the director who is unable or unwilling to continue to serve previously served. The directors of the Surviving Bank shall appoint or nominate such individual. This Section 1.7 shall survive Closing and shall remain in effect for three (3) years after the Effective Date in accordance with Exhibit 2 unless amended by the approval of 80% of the entire Surviving Bank board of directors. For three (3) years after the Effective Date the Surviving Bank board of

directors agrees to nominate and recommend for election by the sole shareholder, the directors selected, nominated, or appointed pursuant to and in furtherance of this Section 1.7.

1.8 Officers. The persons who are officers of the Constituent Banks immediately prior to the consummation of the Bank Merger shall serve as the officers of the Surviving Bank from and after the Effective Date and until such time as the Board of Directors of the Surviving Bank shall otherwise determine.

1.9 Employees. On the Effective Date, all persons who are employees of Constituent Banks shall become employees of the Surviving Bank. Notwithstanding the foregoing, the Board of Directors of the Surviving Bank shall have the right and responsibility to reorganize the workforce at the Surviving Bank and therefore make such changes in titles, reporting responsibilities and places of work as it deems necessary to establish an efficient operation, subject to the provisions of and in accordance with the Agreement.

## SECTION 2. CONVERSION OF SHARES.

The manner and basis of converting shares of common stock of the Constituent Banks shall be as follows:

2.1 Stock of Graystone Bank. The shares of common stock of Graystone Bank, \$1.00 par value, issued and outstanding immediately prior to the Effective Date shall continue to be issued and outstanding shares of the Surviving Bank. From and after the Effective Date, each certificate that, prior to the Effective Date, represented shares of Graystone Bank shall evidence ownership of shares of the Surviving Bank on the basis hereinbefore set forth.

2.2 Stock of Greencastle. Each share of common stock, par value \$62.50 per share, of Greencastle issued and outstanding immediately prior to the Effective Date shall, on the Effective Date, by virtue of the Bank Merger and without any action on the part of the holder thereof, be cancelled and have no further effect.

2.3 Treasury Stock. Each share of common stock, par value \$62.50 per share, of Greencastle held as a treasury share immediately prior to the Effective Date, if any, shall thereupon and without notice be canceled.

2.4 Dissenter' Rights. Shareholders of the Constituent Banks shall be entitled to exercise the rights, if any, provided in Subchapter D of Chapter 15 of the Pennsylvania Business Corporation Law of 1988 with respect to this Bank Plan of Merger.

## SECTION 3. MISCELLANEOUS.

3.1 Conditions. The obligations of Greencastle and Graystone Bank to effect the Bank Merger shall be subject to all of the terms and conditions contained in the Agreement.

3.2 Termination and Agreement. This Bank Plan of Merger may be terminated or amended prior to the Effective Date in the manner and upon the conditions set forth in the Agreement. If the Agreement is terminated pursuant to the terms thereof, this Bank Plan of Merger shall terminate simultaneously, and the Bank Merger shall be abandoned without further action of the parties hereto.

3.3 Notices. Any notice or other communication required or permitted under this Bank Plan of Merger shall be given, and shall be effective, in accordance with the notice provisions of the Agreement.

3.4 Captions. The captions contained in this Bank Plan of Merger are for reference purposes only and are not part of this Bank Plan of Merger.

3.5 Counterparts. This Bank Plan of Merger may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. This Bank Plan of Merger shall become binding when one or more counterparts hereof individually or taken together, shall bear the signature of all the persons reflected hereon as the signatures. A facsimile, electronic, or similar reproduction of a signature by one or any of the undersigned shall be treated as an execution in writing for purposes of the execution of this Bank Plan of Merger.

3.6 Severability. If any provision of this Bank Plan of Merger or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Bank Plan of Merger and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

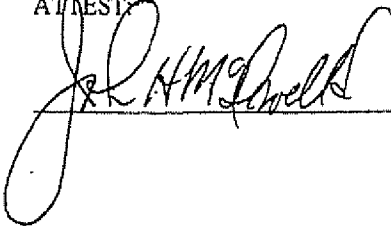
3.7 Governing Law. This Bank Plan of Merger shall be governed by and construed in accordance with the domestic internal law (including the law of conflicts of law) of the Commonwealth of Pennsylvania.

[signature page follows]

EXECUTION COPY

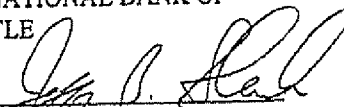
IN WITNESS WHEREOF, this Bank Plan of Merger has been executed on the day and year first above mentioned.

ATTEST:

  
\_\_\_\_\_

THE FIRST NATIONAL BANK OF  
GREENCASTLE

By


  
Jeffrey B. Shank  
President and Chief Executive Officer

ATTEST:

  
\_\_\_\_\_

GRAYSTONE BANK

By

  
Andrew S. Samuel  
President and Chief Executive Officer

**FORM OF  
AMENDED AND RESTATED  
ARTICLES OF INCORPORATION**

FIRST: The name of the institution is **GRAYSTONE TOWER BANK**.

SECOND: The exact location and post office address of the principal place of business is: 100 Granite Run Drive, Lancaster, Pennsylvania 17601.

THIRD: The purpose for which the institution is incorporated is to receive deposits, make loans and transact generally any and all business permitted to a bank, as defined in the Banking Code of 1965, as amended, and under any present or future laws of the Commonwealth of Pennsylvania.

FOURTH: The institution is incorporated under the provisions of the Banking Code of 1965, as amended.

FIFTH: The institution is to exist perpetually.

SIXTH: The institution shall have the authority to issue 5,000,000 shares of common stock a par value of \$1.00 each.

SEVENTH: The shareholders of this institution shall not be entitled to cumulate their votes in the election of Directors of the institution.

EIGHTH: The power to make, alter, amend and repeal the Bylaws is expressly vested in the Board of Directors (except as to Bylaws fixing the qualifications, classification or terms of office of Directors), subject however to the right of the shareholders to change such action.



FORM OF  
BYLAWS  
OF  
GRAYSTONE TOWER BANK  
(as amended and restated \_\_\_\_\_)

ARTICLE I

MEETINGS OF SHAREHOLDERS

Section 1. The annual meeting of the shareholders for the election of Directors shall be held at such place within the Commonwealth and at such time as the Board of Directors shall fix.

If for any reason no election of Directors is held on that day, the meeting may be adjourned as provided in the Banking Code of 1965.

Section 2. Special meetings of the shareholders may be called at any time by the Board of Directors, or at the request of holders of not less than one-fifth of all the shares entitled to vote at the particular meeting.

Section 3. A written or printed notice of the time and place of each meeting shall be given to every shareholder of record entitled to vote at the meeting at his address appearing on the books of the bank, at least five (5) days before the date of the meeting.

Section 4. The Board of Directors may fix a date for the determination of the shareholders entitled to receive notice of and to vote at any meeting or to receive any dividend, distribution or allotment of rights or a date for any change, conversion or exchange of shares by fixing a record date not more than sixty days prior thereto.

Section 5. The presence, in person or by proxy, of the holders of a majority of the outstanding shares entitled to vote shall constitute a quorum. If a meeting cannot be organized for lack of a quorum, those present may adjourn the meeting to such time and place as they may determine.

In the case of a meeting for the election of Directors which is twice adjourned for lack of a quorum, those present at the second of such adjourned meetings shall constitute a quorum for the election of Directors without regard to the other quorum requirements of this section, the articles or bylaws.

A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting unless otherwise provided by law.

A shareholder may vote in person or by proxy duly authorized in writing in accordance with the law, and be entitled to one vote for each share standing in his name on the books of the bank.

Section 6. The Board of Directors shall appoint three judges, not candidates for office and who need not be shareholders, to conduct the election or vote at any meeting. After a meeting the judges shall make a report in writing of any question or matter determined by them and execute a certificate of any fact found by them which the Secretary shall cause to be recorded in the minutes of the meeting. If any judge of election shall not be present at a meeting the vacancy shall be filled by the chairman of the meeting.

Section 7. Any action required or permitted to be taken at a meeting of the Shareholders may be taken without a meeting if a consent of consents thereto in writing shall be signed by all of the then holders who would be entitled to vote at a meeting for such purpose and shall be filed with the Secretary of the Bank.

## ARTICLE II

### BOARD OF DIRECTORS

Section 1. The business of the bank shall be managed by a Board of Directors of not less than five (5) nor more than twenty-five (25) in number who shall hold office for one year or until their successors are duly elected and qualified. The shareholders shall, at each meeting for the election of Directors, determine how many Directors shall be elected at the meeting to serve during the ensuing year. The number of Directors may be increased or diminished by the shareholders at any regular meeting, or at any special meeting called for that purpose.

Between annual meetings of the shareholders, the Board of Directors, by a vote of a majority of the full Board, may increase the membership of the Board, within the maximum above prescribed, by not more than two members and, by like vote, appoint shareholders to fill the vacancies created thereby.

Section 2. For three (3) years following the consummation of the merger (the "Effective Date") of the First National Bank of Greencastle ("Greencastle") with and into the bank, unless the Board of Directors of the bank shall determine otherwise upon the approval of 80% of the Directors of the entire Board of Directors, the total number of persons serving on the Board of Directors of the bank shall be twenty (20). Ten (10) of the twenty (20) persons to serve initially on the Board of Directors of the bank at the Effective Date shall be designated by the Greencastle Board of Directors and ten (10) of the twenty (20) persons shall be designated by the pre-Effective Date bank Board of Directors from among the current Directors of the pre-Effective Date bank and Greencastle, respectively who meet the eligibility requirements for a director under the Bank bylaws. Provided however, that since Greencastle has only nine (9) Directors as of the date hereof, Greencastle shall be permitted to designate one (1) additional director who meets the eligibility requirements for a director under the bank bylaws, to serve on the bank Board of Directors. If, at the Effective Date or within three (3) years after the Effective Date a director formerly of Greencastle prior to the Effective Date (or appointed by Greencastle in accordance with this Article II, Section 2) or the pre-Effective Date bank is unable or unwilling to continue to serve on the Board of Directors of bank, then a successor to such person shall be chosen by a majority of the remaining Directors who are then on the Board of Directors of pre-Effective Date bank and who previously served on the Board of Directors from which the director who is unable or unwilling to continue to serve previously served.

Section 3. The Board of Directors may appoint each year such number of Advisory Directors and/or Directors of Emeritus as the Board may from time to time determine.

Section 4. Any vacancy in the Board of Directors may be filled by appointment by the remaining members of the Board at any meeting of the Board of Directors, and each person so appointed shall serve only until the next meeting of shareholders at which Directors are elected. Provided however, that for three years after the Effective Date, vacancies shall be filled

in accordance with Article II, Section 2, unless the Board of Directors of the Corporation shall determine otherwise upon the approval of 80% of the Directors of the entire Board of Directors.

Section 5. A meeting for the purpose of organizing the new Board of Directors and electing and appointing officers of the Bank for the succeeding year shall be held promptly following the annual meeting of the shareholders. At that meeting, the Directors will set the date, time and place of regular meetings throughout the year.

Section 6. Regular meetings of the Board of Directors shall be held, without notice, as scheduled by the Directors pursuant to the preceding Section.

Special meetings may be called at the request of the majority of the Directors. Notice of the special meeting shall be given each member of the Board by the Secretary at least one day before the date of such meeting.

Section 7. A majority of all the Directors in office shall constitute a quorum, but a less number may adjourn any meeting from time to time, and the meeting may be held as adjourned without further notice. A quorum shall exist for any meeting of the Board if a majority of the Directors are present in person at the commencement of the meeting.

Section 8. Directors may participate in meetings of the Board of Directors by means of conference telephone or similar communications equipment and be deemed present at the meetings.

Section 9. Any action which may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing shall be signed by all of the Directors and filed with the Secretary of the bank.

Section 10. Each Director, Advisory Director and Director Emeritus, not a salaried officer, may receive a fee for attendance at each meeting of the Board of Directors, or any committee, in such amount as the Board of Directors may from time to time determine.

Section 11. The Board of Directors and each committee hereinafter provided for shall each keep minutes of the meetings. Minutes of the committees shall be submitted at the next

regular meeting of the Board of Directors, and any action taken by the Board of Directors with respect thereto shall be entered in the minutes of the Board of Directors.

### ARTICLE III

#### COMMITTEES

Section 1. The Board of Directors may, in its discretion, appoint such other committees as may be deemed necessary by the Board or shareholders for efficient operation of the institution. The committees shall have and exercise the authority given to it by the Board of Directors and, following each meeting of the Committee, file with the Board the minutes of such meeting.

Section 2. The Board of Directors, or a Committee appointed by the Board of Directors, shall at least once in each year cause to be made by a certified public accountant selected for the purpose, a complete audit of the books and affairs of the bank. Upon completion of the audit the certified public accountant shall make a report thereof and its recommendations in accordance with the Department of Banking's minimum acceptable requirements for Directors' audits to the Board of Directors.

Section 3. The Board of Directors shall have the authority to appoint all special committees and designate alternate members of all committees to serve temporarily for members unable to attend any meeting of a standing committee.

Section 4. Directors may participate in meetings of the various committees of the Board of Directors by means of conference telephone or similar communications equipment and be deemed present at the meetings.

Section 5. For three (3) years following the Effective Date, all committees of the Bank shall have equal representation of the directors formerly of Greencastle and the pre-Effective Date bank, unless the Board of Directors of the bank shall determine otherwise upon the approval of 80% of the directors of the entire Board of Directors.

## ARTICLE IV

### OFFICERS

Section 1. The Board of Directors, at their annual organization meeting, shall elect a Chairman of the Board, a Chief Executive Officer, a President, a Secretary, and a Treasurer and such Vice President or other offices as deemed necessary.

Section 2. The Chairman of the Board shall preside at all meetings of the Board of Directors and at all meetings of shareholders of the Bank and shall have such other powers and perform such further duties as may be assigned by the Board of Directors. To be eligible to serve, the Chairman must be a Director of the Bank.

Section 3. The Chief Executive Officer shall have general executive and supervisory authority and discretion over the affairs and operations of the bank. The Chief Executive Officer shall also do and perform such other duties as may be assigned by the Board of Directors from time to time.

Section 4. The President shall, in the absence of the Chairman, preside at meetings of shareholders, and at meetings of the Board of Directors. The President shall also do and perform such other duties as from time to time may be assigned by the Board of Directors.

Section 5. The Secretary shall keep the minutes of the meetings of the shareholders and of the Board of Directors. He shall have charge of the corporate records, papers, and the corporate seal of the bank. He shall give notice of all meetings of shareholders and of the Board of Directors.

Section 6. The Treasurer shall be responsible for all money, funds, securities, fidelity and indemnity bonds and other valuables belonging to the bank, exclusive of assets held by the bank in a fiduciary capacity; shall cause to be kept proper records of the transactions of the bank; and shall perform such other duties as may be assigned to him from time to time by the Board of Directors or the Chief Executive Officer.

Section 7. The Vice Presidents shall have such duties and powers as may from time to time be assigned to them by the Board of Directors or the Chief Executive Officer in the absence of any assignment by the Board of Directors. One or more may be designated Executive Vice President.

Section 8. Each Assistant Officer shall assist in the performance of the duties of the officer to whom he is assisting and shall perform such duties in the absence of the officer. He shall perform such additional duties as the Board of Directors, the Chief Executive Officer, or the officer to whom he is assisting, may from time to time assign to him.

## ARTICLE V

### AUTHORITY OF OFFICERS

Section 1. The Chief Executive Officer, the President, the Secretary and the Treasurer shall each have authority to affix and attest the corporate seal of the bank.

Section 2. The President (or any Vice President), acting in conjunction with the Secretary or Treasurer or Assistant Secretary or Assistant Treasurer, are authorized to perform such corporate and official acts as are necessary to carry on the business of the bank, subject to the directions of the Board of Directors.

They are fully empowered:

- a. To sell, assign and transfer any and all shares of stock, bonds or other personal property standing in the name of the bank or held by the bank either in its own name or as agent;
- b. To assign and transfer any and all registered bonds and to execute requests for payment or reissue of any such bonds that may be issued now or hereafter and held by the bank in its own right or as agent;
- c. To sell at public or private sale, lease, mortgage or otherwise dispose of any real estate or interest therein held or acquired by the bank in its own right or as agent, except the real estate and buildings occupied by the bank in

the transaction of its business, and to execute and deliver any instrument necessary to completion of the transaction;

d. To receive and receipt for any sums of money or property due or owing to this bank in its own right or as agent and to execute any instrument of satisfaction therefor or any lien of record;

e. To execute and deliver any deeds, contracts, agreements, leases, conveyances, bills of sale, petitions, writings, instruments, releases, acquittances and obligations necessary in the exercise of the corporate or powers of the bank, including any bond required in the execution or administration of any fiduciary capacity.

Section 3. Such of the officers and other employees as may from time to time be designated by the Board of Directors, shall have the authority to sign checks, drafts, letters of credit, orders, receipts, and to endorse checks, bills of exchange, orders, drafts, and vouchers made payable or endorsed to the bank.

Section 4. Each of the Chief Executive Officer, the President, (any Vice President), the Secretary or the Treasurer, acting in conjunction with any other of these designated officers, may effect loans on behalf of this bank from any other banking institution, executing notes or obligations and pledging assets of this bank therefor.

## ARTICLE VI

### AMENDMENTS

Section 1. These bylaws may be altered, amended, added to or repealed by a vote of a majority of the Board of Directors at any regular meeting of the Board, or at any special meeting of the Board called for that purpose, except they shall not make or alter any bylaws fixing their qualifications, classifications or term of office. Such action by the Board of Directors is subject, however, to the general right of the shareholders to change such action. Notwithstanding the foregoing, for three (3) years after the Effective Date, Article II, Section 2 of these bylaws shall not be altered, amended, repealed except by the affirmative vote of 80% of



the entire Board of Directors, subject always to the power of the shareholders to change such action of the Board of Directors by the affirmative vote of 66 2/3% of the outstanding shares of common stock.

#### ARTICLE VII

##### EMERGENCIES

Section 1. In the event of any emergency declared by governmental authorities, the result of a regional or national disaster and of such severity as to prevent the normal conduct and management of the affairs of this bank by its Directors and Officers as contemplated by these bylaws, any three available Directors shall constitute the Executive Committee to exercise the full authority of that Committee until such time as a duly elected Board of Directors can again assume full responsibility and control of the bank.

#### ARTICLE VIII

##### INDEMNIFICATION AND INSURANCE

Section 1. Each Indemnitee (as defined below) shall be indemnified and held harmless by the Bank for all actions taken by such Indemnitee and for all failures to take action (regardless of the date of any such action or failure to take action) to the fullest extent permitted by applicable law against all expense, liability and loss (including without limitation attorneys' fees, judgments, fines, taxes, penalties, and amounts paid or to be paid in settlement) reasonably incurred or suffered by the Indemnitee in connection with any Proceeding (as defined below). No indemnification pursuant to this Section shall be made, however, in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

The right to indemnification provided in this Section shall include the right to have the expenses reasonably incurred by the Indemnitee in defending any Proceeding paid by the Bank in advance of the final disposition of the Proceeding to the fullest extent permitted by applicable law; provided that, if applicable law continues so to require, the payment of such expenses incurred by the Indemnitee in advance of the final disposition of a Proceeding shall be made only upon delivery to the Bank of an undertaking, by or on behalf of the Indemnitee, to repay all

amounts so advanced without interest if it shall ultimately be determined that the Indemnitee is not entitled to be indemnified under this Section or otherwise.

Indemnification pursuant to this Section shall continue as to an Indemnitee who has ceased to be a director or officer and shall inure to the benefit of such person's heirs, executors and administrators.

For purposes of this Article, (A) "Indemnitee" shall mean each current or former director and current or former officer of the Bank who was or is a party to, or is threatened to be made a party to, or is otherwise involved in, any Proceeding, by reason of the fact that such person is or was a director or officer of the Bank or is or was serving in any capacity at the request or for the benefit of the Bank as a director, officer, employee, agent, partner, or fiduciary of, or in any other capacity for, another Bank or any partnership, joint venture, trust, employee benefit plan, or other enterprise; and (B) "Proceeding" shall mean any threatened, pending or completed action, suit or proceeding (including without limitation an action, suit or proceeding by or in the right of the Bank), whether civil, criminal, administrative, investigative or through arbitration.

Section 2. The Bank may, by action of its Board of Directors and to the extent provided in such action, indemnify employees and other persons as though they were Indemnitees. Directors and officers of entities which have merged into, or have been consolidated with, or have been liquidated into, the Bank shall not be Indemnitees with respect to Proceedings involving any action or failure to act of such Director or officer prior to the date of such merger, consolidation or liquidation, but such persons may be indemnified by the Board of Directors pursuant to the first sentence of this Section 2.

Section 3. To the extent that an employee or agent of the Bank has been successful on the merits or otherwise in defense of any Proceeding or in defense of any claim, issue or matter therein, the Bank shall indemnify such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith. If indemnification under this Article or advancement of expenses are not made or paid by the Bank, or on its behalf, within 90 days after a written claim for indemnification or a request for an advancement of expenses by an Indemnitee has been received by the Bank, such Indemnitee may, at any time thereafter, bring suit against the Bank to recover the unpaid amount of the claim and/or the advancement of expenses. The right to indemnification and advancement of expenses provided hereunder shall be enforceable by an Indemnitee in any court of competent jurisdiction, and if

indemnification and/or advancement of expenses is obtained by an Indemnitee in whole or in part, the expenses reasonably incurred by such Indemnitee in connection with obtaining such indemnification and/or advancement of expenses shall also be indemnified by the Bank.

Section 4. The rights to indemnification and to the advancement of expenses provided in this Article shall not be exclusive of any other rights that any person may have or hereafter acquire under any statute, provision of the Articles or Bylaws, agreement, vote of shareholders or Directors, or otherwise.

Section 5. The Bank may purchase and maintain insurance, at its expense, for the benefit of any person on behalf of whom insurance is permitted to be purchased by applicable law against any expense, liability or loss, whether or not the Bank would have the power to indemnify such person under Pennsylvania or other applicable law. The Bank may also purchase and maintain insurance to insure its indemnification obligations whether arising hereunder or otherwise.

Section 6. The Bank may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise may secure in any manner its indemnification obligations, whether arising hereunder, under the Articles, by agreement, vote of shareholders or Directors, or otherwise.

## AMENDMENT NO. 1 TO BANK PLAN OF MERGER

THIS AMENDMENT NO. 1 TO BANK PLAN OF MERGER, dated as of December 23, 2008 (this "Amendment"), amends, supplements and modifies that certain Bank Plan of Merger (the "Agreement") dated as of November 12, 2008, and is made by and between The First National Bank of Greencastle ("Greencastle") and Graystone Bank ("Graystone")(each a "Party", all parties are collectively referred to as the "Parties").

### BACKGROUND

A. All capitalized terms used in this Amendment that are not otherwise defined shall have the same respective meanings as assigned to those terms in the Agreement.

B. The Parties are party to the Agreement pursuant to Greencastle will merge with and into Graystone upon the terms and conditions of the Agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants, representations, warranties, and conditions and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and upon the terms and subject to the conditions set forth herein, the Parties, intending to be legally bound hereby, do agree as follows:

1. Amendment. Exhibit 1 of the Agreement is hereby deleted and replaced in its entirety with Exhibit 1 hereto.
2. Reaffirmation of Agreement as Amended. The Agreement remains in full force and effect as amended, modified, and supplemented by this Amendment.
3. Captions. The captions contained in this Amendment are for reference purposes only and are not part of this Amendment.
4. Counterparts. This Amendment may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.
5. Severability. If any provision of this Amendment or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Amendment and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
6. Governing Law. This Agreement shall be governed by and construed in accordance with the domestic internal law (including the law of conflicts of law) of the Commonwealth of Pennsylvania.
7. Entire Agreement; Amendments. The Agreement and this Amendment (together with the Exhibits, Annexes and Schedules referenced herein) together embody the entire

understanding of the Parties, and there are no further or other agreements or understandings, written or oral, in effect between the Parties relating to the subject matter hereof. The Agreement and this Amendment and the agreements contained herein may be amended or modified only by an instrument of equal formality signed by the Parties or their duly authorized agents.

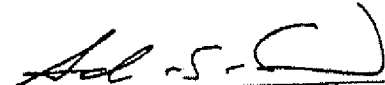
[Signature Page Follows]

IN WITNESS WHEREOF, this Amendment has been executed as of the day and year first above mentioned.

THE FIRST NATIONAL BANK OF  
GREENCASTLE

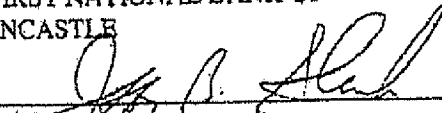
By: \_\_\_\_\_  
Jeffrey B. Shank  
President and Chief Executive Officer

GRAYSTONE BANK

By:  \_\_\_\_\_  
Andrew S. Samuel  
President and Chief Executive Officer

IN WITNESS WHEREOF, this Amendment has been executed as of the day and year first above mentioned.

THE FIRST NATIONAL BANK OF  
GREENCASTLE

By:   
Jeffrey B. Shank  
President and Chief Executive Officer

GRAYSTONE BANK


By: \_\_\_\_\_  
Andrew S. Samuel  
President and Chief Executive Officer

**FORM OF  
AMENDED AND RESTATED  
ARTICLES OF INCORPORATION**

- FIRST: The name of the institution is **GRAYSTONE TOWER BANK**.
- SECOND: The exact location and post office address of the principal place of business is: 100 Granite Run Drive, Lancaster, Pennsylvania 17601.
- THIRD: The purpose for which the institution is incorporated is to receive deposits, make loans and transact generally any and all business permitted to a bank and trust company, as defined in the Banking Code of 1965, as amended, and under any present or future laws of the Commonwealth of Pennsylvania.
- FOURTH: The institution is incorporated under the provisions of the Banking Code of 1965, as amended.
- FIFTH: The institution is to exist perpetually.
- SIXTH: The institution shall have the authority to issue 5,000,000 shares of common stock a par value of \$1.00 each.
- SEVENTH: The shareholders of this institution shall not be entitled to cumulate their votes in the election of Directors of the institution.
- EIGHTH: The power to make, alter, amend and repeal the Bylaws is expressly vested in the Board of Directors (except as to Bylaws fixing the qualifications, classification or terms of office of Directors), subject however to the right of the shareholders to change such action.



Approval is hereby granted by the Pennsylvania Department of Banking for the merger of THE  
FIRST NATIONAL BANK OF GREENCASTLE, Greencastle, Pennsylvania, with and into  
GRAYSTONE BANK, Lancaster, Pennsylvania, with the resulting institution continuing under  
the name "Graystone Tower Bank," this 30th day of March, A.D. 2009, to be effective as of  
12:02 a.m. on March 31, 2009.



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Wendy S. Spicher  
Deputy Secretary of Banking



**pennsylvania**  
DEPARTMENT OF BANKING

MARKET SQUARE PLAZA | 17 N SECOND STREET, SUITE 1300 | HARRISBURG, PA 17101  
Ph 717.787.2665 Pa 717.787.8773 W www.banking.state.pa.us

March 30, 2009

717-787-5783

Ms. Joy Drake, Chief  
Business Processing Division  
Corporation Bureau  
DEPARTMENT OF STATE  
203 North Office Building  
Harrisburg, PA 17105-8722

**RE: Articles of Merger between GRAYSTONE BANK, Lancaster, Pennsylvania, and THE FIRST NATIONAL BANK OF GREENCASTLE, Greencastle, Pennsylvania**

Dear Ms. Drake:

Pursuant to Chapter 16 of the Pennsylvania Banking Code of 1965, we are delivering herewith the subject Articles of Merger with written approval of the Department of Banking endorsed thereon.

We have concluded the required investigation and other studies incident to the merger and find that the requirements of law have been complied with fully. In addition, we have been advised that all requisite approvals have been issued by the federal supervisory agencies.

We request that the Department of State record the Articles of Merger and take the necessary steps to issue the Certificate of Merger to be effective as of 12:02 a.m. on March 31, 2009. The Certificate of Merger should be sent to **Kenneth J. Rollins, Esquire, Rhoads & Sinon LLP, Twelfth Floor, One South Market Square, PO Box 1146, Harrisburg, Pennsylvania 17108-1146.**

Attached is a check in the amount of \$150.00, which represents the required filing fee.

Sincerely,

Wendy S. Spicher  
Deputy Secretary of Banking

WSS:JSB:jsb  
Enclosures

cc: Kenneth J. Rollins, Esquire, Rhoads & Sinon LLP  
Jeffrey B. Shank, President, The First National Bank of Greencastle  
Andrew S. Samuel, President, Graystone Bank  
John M. Lane, Regional Director, Federal Deposit Insurance Corporation  
William L. Gaunt, Assistant Vice President, Federal Reserve Bank of Philadelphia  
Kathy Page, Assistant Deputy Comptroller, Office of the Comptroller of the Currency

2009 MAR 30 11:54  
RECEIVED

# BYBEL RUTLEDGE LLP

ATTORNEYS AT LAW  
1017 Mumma Road, Suite 302  
Lemoyne, PA 17043

Telephone: 717.731.1700  
Fax: 717.731.8205

March 30, 2009

Pennsylvania Department of State  
Corporation Bureau  
North Office Building  
Harrisburg, PA 17120

*Via Telecopier 717-705-0927*

Attention: Mr. Parke

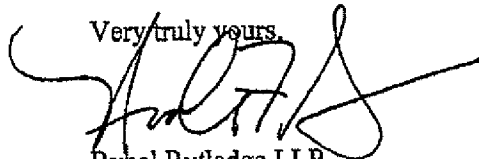
Re: Graystone Tower Bank  
Relinquishment of Name Reserved  
Our File No. 10-024

Dear Mr. Parke:

On December 12, 2008, Bybel Rutledge reserved the name of Graystone Tower Bank. Articles of Merger were filed on March 30, 2009 between The First National Bank of Greencastle and Graystone Bank, to be known as Graystone Tower Bank. Please be advised that Bybel Rutledge LLP relinquishes the reserved name. We have attached a copy of the name reservation filed on December 12, 2008 for your information. Please process the Articles of Merger to be effective as of 12:02 a.m. on March 31, 2009, as requested.

Please contact us to confirm this filing. If there are any problems, please contact us as soon as possible.

Very truly yours,



Bybel Rutledge LLP  
By Nicole F. Stezar

NFS/njr:35595  
Enclosure

RECEIVED TIME MAR. 31. 4:55PM

PRINT TIME MAR. 31. 4:56PM

TRADEMARK  
REEL: 003966 FRAME: 0639

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
CORPORATION BUREAU  
206 NORTH OFFICE BUILDING  
P.O. BOX 8722  
HARRISBURG, PA 17105-8722  
WWW.CORPORATIONS.STATE.PA.US/CORP

December 12, 2008

**Graystone Tower Bank**

As per your request, the above name has been reserved for a period of 120 days beginning December 10, 2008.

This name reservation expires on June 9, 2009.

Please note that name availabilities can be checked online via our "searchable database" located at [www.corporations.state.pa.us/corp](http://www.corporations.state.pa.us/corp).

Bybel Rutledge LLP  
1017 Mumma Road, Suite 302  
Lemoyne, PA 17043

RECEIVED TIME MAR. 31. 4:55PM

PRINT TIME MAR. 31. 4:56PM