

ARTICLES OF AMENDMENT AND RESTATEMENT

OF

ARTICLES OF INCORPORATION

OF

NATIONSBANC CAPITAL MARKETS, INC.

* * * * *

0-0262304
FILED
2:30 PM
SEP 30 1997

EFFECTIVE
FILED IN THE OFFICE OF THE
SECRETARY OF STATE
NORTH CAROLINA

NationsBanc Capital Markets, Inc., a corporation organized and existing under the laws of the State of North Carolina, hereby certifies as follows:

1. The present name of the corporation is NationsBanc Capital Markets, Inc. and the name under which the corporation was originally incorporated was NCNB Capital Markets, Inc. (hereinafter referred to as the "Corporation"). The date of filing the original articles of incorporation of the Corporation with the Secretary of State of the State of North Carolina is January 19, 1990. The name of the Corporation is being changed to NationsBanc Montgomery Securities, Inc. by the filing of this Certificate of Amendment and Restatement of Articles of Incorporation.

2. The Amended and Restated Articles of Incorporation restate and integrate and further amend the Articles of Incorporation of the Corporation by striking out Articles I, V, VI, VII and VIII thereof and by substituting in lieu thereof new Articles I, V, VI, VII and VIII and by adding new Article XI which are set forth in the Amended and Restated Articles of Incorporation hereinafter provided for.

3. The text of the Certificate of Incorporation as amended or supplemented heretofore is further amended and restated hereby to read as herein set forth in full:

4. The Amended and Restated Articles of Incorporation were duly adopted by unanimous written consent of the shareholders in accordance with the applicable provisions of Sections 55-7-04 and 55-10-03 of the North Carolina Business Corporation Act.

IN WITNESS WHEREOF, said corporation has caused this Certificate to be signed by Victor A. Warnement, its Senior Vice President, and attested by Kelly C. Walker, its Assistant Secretary, this 30th day of September, 1997.

NATIONSBANC CAPITAL MARKETS, INC.

By: Victor A. Warnement

Name: Victor A. Warnement

Title: Senior Vice President

ATTEST:

By: Kelly C. Walker

Name: Kelly C. Walker

Title: Assistant Secretary

"AMENDED AND RESTATED
ARTICLES OF INCORPORATION

OF

NATIONSBANC MONTGOMERY SECURITIES, INC.

* * * * *

ARTICLE I

The name of the Corporation is Nationsbanc Montgomery Securities, Inc.

ARTICLE II

The duration of the Corporation shall be perpetual.

ARTICLE III

The purpose for which the Corporation is organized is to engage in any activity which is lawful under the North Carolina Business Corporation Act and any amendments thereto.

ARTICLE IV

The aggregate number of shares which the Corporation shall have authority to issue is 100,000 shares of common stock with no par value per share.

ARTICLE V

No dividend shall be declared or paid which shall impair the capital of the Corporation nor shall any distribution of assets be made to any shareholder unless the value of the assets of the Corporation remaining after such payment or distribution is at least equal to the aggregate of its debts and liabilities, including capital. A director shall be fully protected in relying upon the books of account of the Corporation or statements prepared by any of its officers as to the value and amount of the assets, debts, liabilities and capital of the Corporation, or other facts pertinent to the existence and amount of surplus or other funds from which dividends might properly be declared and paid.

ARTICLE VI

The address of the registered office of the Corporation in the State of North Carolina is Care of NationsBank Corporation, 100 North Tryon Street, NC1-007-20-01, Charlotte, North Carolina 28255. The name of the registered agent at such address is Frank J. Murphy, Jr. (Mecklenburg County)

ARTICLE VII

(a) Whenever a holder of shares of common stock of the Corporation is required to be approved by the constitution or rules of the New York Stock Exchange or any other securities

exchange, board of trade, commodities exchange, clearing corporation or association, or similar organization in which the Corporation has membership privileges (collectively referred to as the "Exchange") and such holder fails or ceases to be so approved, the Corporation shall promptly redeem at the Agreed Purchase Price (as defined below) or convert to a Fixed Income Security (as defined below) all or any part of the outstanding shares of common stock of the Corporation owned by any such holder as may be necessary to reduce such holder's ownership of common stock of the Corporation below that level which enables such holder to exercise controlling influence over the management or policies of the Corporation.

The Agreed Purchase Price shall be equal to one thousand dollars (\$1,000) times the number of shares of the Corporation's common stock being redeemed hereunder. The Fixed Income Security shall be a fixed income security in the principal amount of the Agreed Purchase Price, with a maturity date as specified in the written notice described below of not less than one year but not more than five years, at a rate of interest equal to 200 basis points in excess of the current rate of interest on a ten year U.S. treasury note, that otherwise satisfies the minimum requirements for a subordinated loan agreement, as set forth at Rule 15c3-1d(b) under the Securities Exchange Act of 1934, and that is in such form and contains such additional terms as are reasonably acceptable to the Exchange.

(b) The Corporation shall exercise such right of redemption or conversion by providing written notice thereof to the affected shareholder at the address set forth on the books of the Corporation. Such notice shall state the number of shares being redeemed or converted, as applicable. The notice shall also provide that the shareholder should surrender such shares for redemption or conversion, as applicable, on any business day between 9:00 a.m. and 5:00 p.m. at the Corporation's headquarters in Charlotte, North Carolina (the "Exchange Date"), but that in the event the shareholder fails to surrender such shares for redemption or conversion, as applicable, prior to the tenth (10th) business day following the Corporation's deposit of its notice in the United States mail, the shareholder's only right on account of the ownership of such shares shall be the right to receive the Agreed Purchase Price or the Fixed Income Security, as applicable, and the shareholder shall have no other rights whatsoever, including, without limitation, the right to vote such shares or to receive any further dividend or distribution related thereto. Nothing in this Article VII shall be deemed to affect the right of any holder of shares of common stock of the Corporation to sell or otherwise dispose of its shares of common stock of the Corporation prior to the Exchange Date and in the event the holder, before the Exchange Date, sells or otherwise disposes of the

number of shares required to be exchanged, the exchange shall not take place.

ARTICLE VIII

In furtherance and not in limitation of the powers conferred by statute, the board of directors is expressly authorized to make, alter or repeal the by-laws of the Corporation.

ARTICLE IX

To the fullest extent permitted by the North Carolina Business Corporation Act as it exists or may hereafter be amended, a director of the Corporation shall not be liable to the Corporation or any of its shareholders for monetary damages for breach of duty as a director.

ARTICLE X

The shareholders of the Corporation shall have no preemptive rights to acquire additional or treasury shares of the Corporation.

ARTICLE XI

The Corporation reserves the right to amend, alter, change or repeal any provision contained in these articles of incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon shareholders herein are granted subject to this reservation.